Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Filing at a Glance

Company: Liberty Insurance Underwriters, Inc.

Product Name: LIU-OL-FLP-AR-07-01-F SERFF Tr Num: PERR-125354922 State: Arkansas

TOI: 17.1 Other Liability - Claims Made Only SERFF Status: Closed State Tr Num: #101582 \$50

Sub-TOI: 17.1022 Other Co Tr Num: LIU-OL-FLP-AR-07-01- State Status: Fees verified and

F received

Filing Type: Form Co Status: Reviewer(s): Betty Montesi, Edith

Roberts, Brittany Yielding

Authors: Faviola Jimenez, Thomas Disposition Date: 03/06/2008

Yoo

Date Submitted: 12/20/2007 Disposition Status: Approved

Effective Date Requested (New): 01/20/2008 Effective Date (New):

Effective Date Requested (Renewal): 01/20/2008 Effective Date (Renewal):

State Filing Description:

General Information

Project Name: LIU-OL-FLP-AR-07-01-F Status of Filing in Domicile: Pending

Project Number: LIU-OL-FLP-AR-07-01-F Domicile Status Comments:

Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:

Filing Status Changed: 03/06/2008

State Status Changed: 02/12/2008 Deemer Date:

Corresponding Filing Tracking Number: LIU-OL-FLP-AR-07-01-R

Filing Description:

On behalf of Liberty Insurance Underwriters (the "Company"), we are submitting this filing to introduce forms for a new program, Fiduciary Liability Insurance. Please see the explanatory memorandum for further details. Please note the corresponding rates and rules are being submitted concurrently under a separate cover.

The Company respectfully requests that the proposed forms be implemented for all policies effective January 20, 2008.

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Enclosed is authorization for Perr&Knight to submit this filing on behalf of the Company. All correspondence related to this filing should be directed to Perr&Knight. The Company has prepared the forms contained in this filing. If there are any requests for additional information related to items prepared by the Company, we will forward the request immediately to the Company. We will submit the Company's response to your attention as soon as we receive it.

Please do not hesitate to contact us if you have any questions.

Company and Contact

Filing Contact Information

(This filing was made by a third party - perrandknightactuaryconsultants)

Thomas Yoo, State Filings Project Coordinator

881 Alma Real Drive, Suite 205 (888) 201-5123 [Phone]

Pacific Palisades, CA 90272

Filing Company Information

Liberty Insurance Underwriters, Inc. CoCode: 19917 State of Domicile: New York

55 Water Street Group Code: 111 Company Type:

18th Floor

New York, NY 10041 Group Name: Liberty Mutual Group State ID Number:

(212) 208-4200 ext. [Phone] FEIN Number: 13-4916020

Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No

Fee Explanation: AR filing fee is \$50 for form submissions.

Per Company: No

COMPANY AMOUNT DATE PROCESSED TRANSACTION #

Liberty Insurance Underwriters, Inc. \$0.00 12/20/2007

SERFF Tracking Number: PERR-125354922 State: Arkansas

Filing Company: Liberty Insurance Underwriters, Inc. State Tracking Number: #101582 \$50

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

CHECK NUMBER CHECK AMOUNT CHECK DATE 101582 \$50.00 12/17/2007

 SERFF Tracking Number:
 PERR-125354922
 State:
 Arkansas

 Filing Company:
 Liberty Insurance Underwriters, Inc.
 State Tracking Number:
 #101582 \$50

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Correspondence Summary

Dispositions

Status	Created By	,		Created On		Date Submit	ted
Approved Objection	Edith Rober		ers	03/06/2008		03/06/2008	
Objection Status		Created On	Data Submitted	Response Letter		d On	Date Submitted
Status	Created By	Created On	Date Submitted	Responded By	Created	ı Oli	Date Submitted
Pending Industry Response	Edith Roberts	02/21/2008	02/21/2008	Thomas Yoo	02/22/2	008	02/22/2008
Pending Industry Response	Edith Roberts	02/12/2008	02/12/2008	Thomas Yoo	02/21/2	008	02/21/2008
Pending Industry Response	Edith Roberts	01/31/2008	01/31/2008	Thomas Yoo	02/08/2	008	02/08/2008
Pending Industry Response	Edith Roberts	12/27/2007	12/27/2007	Thomas Yoo	01/22/2	008	01/22/2008

SERFF Tracking Number: PERR-125354922 State: Arkansas State Tracking Number: #101582 \$50

Filing Company: Liberty Insurance Underwriters, Inc.

LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Disposition

Company Tracking Number:

Disposition Date: 03/06/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

 SERFF Tracking Number:
 PERR-125354922
 State:
 Arkansas

 Filing Company:
 Liberty Insurance Underwriters, Inc.
 State Tracking Number:
 #101582 \$50

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Item Type	Item Name Item Status		Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	&Approved	Yes
Supporting Document	Supporting Documentation	Approved	Yes
Form	Executive Advantage Fiduciary Liability Policy Declarations	Approved	Yes
Form	Executive Advantage Fiduciary Liability Policy	Approved	Yes
Form	Addition of Entities as Subsidiaries	Approved	Yes
Form	Addition of Insured Person	Approved	Yes
Form	Amended Definition of Plan	Approved	Yes
Form	Amendment to Section	Approved	Yes
Form	Amendment to Declarations Page	Approved	Yes
Form	Competitor Application Endorsement	Approved	Yes
Form	Deletion of Section 22 - Tie-In of Limits of Other Policies	f Approved	Yes
Form	Most Favored Venue Provision	Approved	Yes
Form	Policy Period Extension Endorsement	Approved	Yes
Form	Prior Acts Exclusion	Approved	Yes
Form	Prior Litigation Exclusion (Split Dates)	Approved	Yes
Form	Return Premium Endorsement	Approved	Yes
Form	Run-Off Endorsement	Approved	Yes
Form	Specific Litigation Exclusion	Approved	Yes
Form	State Inconsistency Endorsement	Approved	Yes
Form (revised)	Arkansas Amendatory Endorsement	Approved	Yes
Form	Arkansas Amendatory Endorsement	Approved	Yes
Form	Arkansas Amendatory Endorsement	Approved	Yes
Form	Arkansas Amendatory Endorsement	Approved	Yes
Form	Arkansas Amendatory Endorsement	Approved	Yes
Form	Application for Executive Advantage Fiduciary Liability Policy	Approved	Yes

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 02/21/2008 Submitted Date 02/21/2008

Respond By Date Dear Thomas Yoo,

This will acknowledge receipt of the captioned filing.

Once again, please refer to provision 25.3, that states "Judgement may be entered upon the award of the panel in any court having jurisdiction thereof." Please REMOVE this sentence.

It is our determination that entering a judgment in court would be essentially final and binding arbitration.

Please call if you wish to discuss to gain a better understanding of what I am requesting.

Please feel free to contact me if you have questions.

Sincerely,

Edith Roberts

Response Letter

Response Letter Status Submitted to State

Response Letter Date 02/22/2008 Submitted Date 02/22/2008

Dear Edith Roberts,

Comments:

Response 1

Comments: The sentence that states "Judgement may be entered upon the award of the panel in any court having jurisdiction thereof." was removed.

Changed Items:

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Arkansas Amendatory Endorsement Previous Version	LIUIFIDE 01-AR	01107	Endorsement/Ar/Conditions	mendmentNew		0	AR Amendato ry Endorsem ent.pdf
Arkansas Amendatory Endorsement	LIUIFIDE 01-AR	01107	Endorsement/Ai /Conditions	mendmentNew		0	AR Amendato ry Endorsem ent.pdf
Arkansas Amendatory Endorsement	LIUIFIDE 01-AR	01107	Endorsement/Al /Conditions	mendmentNew		0	AR Amendato ry Endorsem ent.pdf
Arkansas Amendatory Endorsement	LIUIFIDE 01-AR	01107	Endorsement/Al /Conditions	mendmentNew		0	AR Amendato ry Endorsem ent.pdf
Arkansas Amendatory Endorsement	LIUIFIDE 01-AR	01107	Endorsement/Ai /Conditions	mendmentNew		0	AR Amendato ry Endorsem ent.pdf

No Rate/Rule Schedule items changed.

SERFF Tracking Number: PERR-125354922 State: Arkansas

Filing Company: Liberty Insurance Underwriters, Inc. State Tracking Number: #101582 \$50

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Sincerely,

Faviola Jimenez, Thomas Yoo

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 02/12/2008
Submitted Date 02/12/2008
Respond By Date 02/22/2008

Dear Thomas Yoo,

This will acknowledge receipt of the captioned filing.

This will supplement my two objections previously sent. Failure to comply within ten (10) days will result in "Disapproval" of this filing.

With reference to your comments and amendments below:

• With respect to section 13.4 of the Discovery Period, the second sentence has been amended to read as follows: "In the event the Insurer cancels this Policy for non-payment of premium, the Sponsor Organization must have paid the initial premium for this Policy before they may purchase a Discovery Period."

If the Sponsor Organization never paid any premium whatsoever on the policy, a valid contract between the insurer and the insured would not have existed; therefore, the Insurer would not be obligated to the Insured to provide the option of purchasing a Discovery Period.

If no premium has been received, the company may void the policy to the inception. If coverage is not voided, and coverage was in effect, YOU MAY NOT REFUSE either ERP pursuant to the aforementioned code. You may pursue any right to collection, but if a premium is received in payment of the extended reporting period, that coverage must be put into effect. There are no

exceptions made for cancellation/termination for non payment of premium or deductibles owing. I have pointed this out in previous correspondence.

Also, with reference to the comment below:

• With respect to the sentence, "Judgment may be entered upon the award of the panel in any court having jurisdiction thereof", the Company would like to leave this sentence in and add a sentence right after it that states: "The majority decision of the panel shall not be binding upon the parties to the proceeding."

I again request that you remove this language. Judgement that "may be entered upon the award of the panel in any

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

court having jurisdiction thereof" is final and binding.

Again, please amend within ten (10) working days. Our concerns have been fully explained and failure to comply will result in disapproval due to time constraints in continually addressing the same issues and failure to comply.

Please feel free to contact me if you have questions.

Sincerely,

Edith Roberts

Response Letter

Response Letter Status Submitted to State

Response Letter Date 02/21/2008 Submitted Date 02/21/2008

Dear Edith Roberts,

Comments:

Response 1

Comments: Thank you for your letter dated 2/12/08. In response, we have deleted the language in the Discovery Period related to cancellation as a result of non-payment of premium. However, we have added language to the Termination provision indicating failure to pay the initial premium due on the policy will void the policy to inception.

Language in the Arbitration provision indicating "Judgment may be entered upon the award of the panel in any court having jurisdiction thereof is final and binding" has been removed.

I trust the above will meet with your approval. Please let us know if you have any questions.

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name Form Edition Form Type Action Action Readability Attach

Number Date Specific Score Document

Data

SERFF Tracking Number: PERR-125354922 State: Arkansas Filing Company: #101582 \$50 Liberty Insurance Underwriters, Inc. State Tracking Number: LIU-OL-FLP-AR-07-01-F Company Tracking Number: TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other LIU-OL-FLP-AR-07-01-F Product Name: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F Project Name/Number: Arkansas Amendatory LIUIFIDE01107 Endorsement/AmendmentNew 0 AR 01-AR Endorsement /Conditions Amendato ry Endorsem ent.pdf **Previous Version** Arkansas Amendatory LIUIFIDE01107 Endorsement/AmendmentNew 0 AR Endorsement 01-AR /Conditions Amendato ry Endorsem ent.pdf Arkansas Amendatory LIUIFIDE01107 Endorsement/AmendmentNew 0 AR Endorsement 01-AR /Conditions Amendato ry Endorsem ent.pdf Arkansas Amendatory LIUIFIDE01107 Endorsement/AmendmentNew 0 AR 01-AR Endorsement /Conditions Amendato ry Endorsem ent.pdf

SERFF Tracking Number: PERR-125354922 State: Arkansas

Filing Company: Liberty Insurance Underwriters, Inc. State Tracking Number: #101582 \$50

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

No Rate/Rule Schedule items changed.

Sincerely,

Faviola Jimenez, Thomas Yoo

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 01/31/2008 Submitted Date 01/31/2008

Respond By Date Dear Thomas Yoo,

This will acknowledge receipt of the captioned filing.

These provisions have not been properly amended. You MAY NOT refuse either the optional nor basic extended reporting periods for non-payment of premium or deductibles owed. If the insured requests the optional extended reporting period and pays the premium for same, it must be accepted and put into effect. You may take whatever actions necessary to collected premiums owed or deductibles owed, however, withholding these mandatory ERPs is prohibited by AR Code Anno. 23-79-306. Please amend A.13. Discovery Period, subsection 13.4.

With reference to the non - binding arbitration, the word "shall" in 25.1 "shall be subject to Voluntary" must be changed to "may". "Shall" in legal terms means "must" and invalidates "voluntary".

With reference to 25.3, "Judgement may be entered upon the award of the panel in any court having jurisdiction thereof" also, invalidates "non-binding" and eliminates the insured's right to litigation. Please remove.

Please feel free to contact me if you have questions.

Sincerely,

Edith Roberts

Response Letter

Response Letter Status Submitted to State

Response Letter Date 02/08/2008 Submitted Date 02/08/2008

Dear Edith Roberts,

Comments:

Response 1

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Comments: Dear Ms. Roberts:

This letter is in response to your objection letter dated 1/31/2008. Attached please find a revised Arkansas Amendatory Endorsement which addresses the issues raised in your review.

With respect to section 13.4 of the Discovery Period, the second sentence has been amended to read as follows: "In the event the Insurer cancels this Policy for non-payment of premium, the Sponsor Organization must have paid the initial premium for this Policy before they may purchase a Discovery Period."

If the Sponsor Organization never paid any premium whatsoever on the policy, a valid contract between the insurer and the insured would not have existed; therefore, the Insurer would not be obligated to the Insured to provide the option of purchasing a Discovery Period.

With respect to section 25.1, the word "shall" has been changed to "may."

With respect to the sentence, "Judgment may be entered upon the award of the panel in any court having jurisdiction thereof", the Company would like to leave this sentence in and add a sentence right after it that states: "The majority decision of the panel shall not be binding upon the parties to the proceeding."

This should eliminate any confusion as to whether the arbitration is binding or not.

Thank you for your review of this filing. If you have any further questions, please do not hesitate to contact us.

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form	Edition	Form Type	Action	Action	Readability	y Attach
	Number	Date			Specific	Score	Document
					Data		
Arkansas Amendatory	LIUIFIDE	01107	Endorsement/Amendme	ntNew		0	AR
Endorsement	01-AR		/Conditions				Amendato
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Previous Version

SERFF Tracking Number: PERR-125354922 State: Arkansas

Filing Company: State Tracking Number: #101582 \$50 Liberty Insurance Underwriters, Inc.

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F Project Name/Number:

Arkansas Amendatory LIUIFIDE01107 Endorsement/AmendmentNew 0 AR

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Arkansas Amendatory LIUIFIDE01107 Endorsement/AmendmentNew 0 AR

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SERFF Tracking Number: PERR-125354922 State: Arkansas

Filing Company: Liberty Insurance Underwriters, Inc. State Tracking Number: #101582 \$50

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

No Rate/Rule Schedule items changed.

Sincerely,

Faviola Jimenez, Thomas Yoo

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 12/27/2007 Submitted Date 12/27/2007

Respond By Date Dear Thomas Yoo,

This will acknowledge receipt of the captioned filing.

Form LIUIFIDE001-AR-1107, does not properly amend the Extended Reporting Period requirements of AR (Discovery).

You may not refuse either the basic or optional ERP based on cancellation for non-payment of premium unless cancelled back to the inception date to void coverage. Please refer to provision 13.4.

Also, this provision does not address the reinstatement of limits for the optional ERP if less than 50% of the expiring policy aggregate. Also, you must allow 60 days rather than 30 to request and pay for the optional ERP. Please refer to AR Code Anno. 23-79-306 (1-6)

Please refer to Provision B.25 of the same form. The arbitration provision must specifically state that it is "voluntary and non-binding". Please refer to AR Code Anno. 23-79-203 (a).

I do not show that the fees have been received for this filing. Please submit.

Thanks.

Please feel free to contact me if you have questions.

Sincerely,

Edith Roberts

Response Letter

Response Letter Status Submitted to State

Response Letter Date 01/22/2008 Submitted Date 01/22/2008

Dear Edith Roberts,

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Comments:

Response 1

Comments: Dear Ms. Roberts:

Thank you for your letter dated 12/27/07, in response, please note the following:

- 1. 13.4 The Discovery Period provision has been revised to allow for the purchase of the discovery period when cancelled for nonpayment of premium, however, any premium due must be paid.
- 2. 13.5 The Discovery Period was revised to allow for reinstatement of limit for the greater of the remaining limit or 50% of the limit at inception.
- 3. 13.4 The Discovery Period was also revised to allow for 60 days notice to request the optional ERP.
- 4. The Arbitration provision was revised to specifically indicate it is Non-Binding and Voluntary.

Thank you for your time and consideration.

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form	Edition	Form Type	Action	Action	Readabilit	y Attach
	Number	Date			Specific	Score	Document
					Data		
Arkansas Amendatory	LIUIFIDE	01107	Endorsement/Amendme	entNew		0	AR
Endorsement	01-AR		/Conditions				Amendato
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							ent.pdf
Previous Version							
Arkansas Amendatory	LIUIFIDE	01107	Endorsement/Amendme	entNew		0	AR
Endorsement	01-AR		/Conditions				Amendato
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SERFF Tracking Number: PERR-125354922 State: Arkansas

Filing Company: Liberty Insurance Underwriters, Inc. State Tracking Number: #101582 \$50

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

No Rate/Rule Schedule items changed.

Sincerely,

Faviola Jimenez, Thomas Yoo

 SERFF Tracking Number:
 PERR-125354922
 State:
 Arkansas

 Filing Company:
 Liberty Insurance Underwriters, Inc.
 State Tracking Number:
 #101582 \$50

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Form Schedule

Review	Form Name	Form #	Edition	Form Type Action	Action Specific	Readability	Attachment
Status			Date		Data		
Approved	Executive Advantage Fiduciary Liability Policy Declarations	LIUIFIDD 01 ,	01107	Declaration New s/Schedule		0.00	LIUIFIDD001 -1107.pdf
Approved	Executive Advantage Fiduciary Liability Policy	LIUIFIDP 01 ,	01107	Policy/CoveNew rage Form		0.00	LIUIFIDP001 -1107.pdf
Approved	Addition of Entities as Subsidiaries	LIUIFIDE 01	01107	Endorseme New nt/Amendm ent/Conditi ons		0.00	LIUIFIDE001 -1107.pdf
Approved	Addition of Insured Person	LIUIFIDE 02	01107	Endorseme New nt/Amendm ent/Conditi ons		0.00	LIUIFIDE002 -1107.pdf
Approved	Amended Definition of Plan	LIUIFIDE 03	01107	Endorseme New nt/Amendm ent/Conditi ons		0.00	LIUIFIDE003 -1107.pdf
Approved	Amendment to Section	LIUIFIDE 04	01107	Endorseme New nt/Amendm ent/Conditi ons		0.00	LIUIFIDE004 -1107.pdf
Approved	Amendment to Declarations Page	LIUIFIDE 05	01107	Endorseme New nt/Amendm ent/Conditi ons		0.00	LIUIFIDE005 -1107.pdf
Approved	Competitor Application Endorsement	LIUIFIDE 06	01107	Endorseme New nt/Amendm ent/Conditi ons		0.00	LIUIFIDE006 -1107.pdf

SERFF Trackii	ng Number: Pi	ERR-125354922	State:	Arkansas	
Filing Compan	ny: Li	berty Insurance Underwriters, In	nc. State Tracking Number:	#101582 \$50	
Company Trac	king Number: Ll	IU-OL-FLP-AR-07-01-F			
TOI:	17	7.1 Other Liability - Claims Made	e Only Sub-TOI:	17.1022 Other	
Product Name.	: LI	U-OL-FLP-AR-07-01-F			
Project Name/	Number: LI	IU-OL-FLP-AR-07-01-F/LIU-OL	L-FLP-AR-07-01-F		
Approved	Deletion of Section 22 - 7 In of Limits of Other Policies		Endorseme New nt/Amendm ent/Conditi	0.00	LIUIFIDE007 -1107.pdf
Approved	Most Favored Venue Provis	LIUIFIDE0 1107	ons Endorseme New nt/Amendm ent/Conditi ons	0.00	LIUIFIDE008 -1107.pdf
Approved	Policy Period Extension Endorsement	LIUIFIDE0 1107 09	Endorseme New nt/Amendm ent/Conditi ons	0.00	LIUIFIDE009 -1107.pdf
Approved	Prior Acts Exclusion	LIUIFIDE01107 10	Endorseme New nt/Amendm ent/Conditi ons	0.00	LIUIFIDE010 -1107.pdf
Approved	Prior Litigation Exclusion (Sp Dates)		Endorseme New nt/Amendm ent/Conditi ons	0.00	LIUIFIDE011 -1107.pdf
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Approved	Run-Off Endorsement	LIUIFIDE01107 13	Endorseme New nt/Amendm ent/Conditi ons	0.00	LIUIFIDE013 -1107.pdf
Approved	Specific Litigates Exclusion	ation LIUIFIDE0 1107 14	Endorseme New nt/Amendm ent/Conditi ons	0.00	LIUIFIDE014 -1107.pdf
Approved	State Inconsistency Endorsement		Endorseme New nt/Amendm ent/Conditi ons	0.00	LIUIFIDE015 -1107.pdf
Approved	Arkansas Amendatory	LIUIFIDE01107 01-AR	Endorseme New nt/Amendm	0.00	AR Amendatory

SERFF Tracking Number: PERR-125354922 State: Arkansas

Filing Company: Liberty Insurance Underwriters, Inc. State Tracking Number: #101582 \$50

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

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Advantage Ilment

Fiduciary Liability

Policy



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer") 55 Water Street, 18th Floor; New York, NY 10041 Toll-free number: 1-800-677-9163

EXECUTIVE ADVANTAGE FIDUCIARY LIABILITY POLICY

DECLARATIONS

NOTICE: THIS IS A CLAIMS-MADE POLICY. EXCEPT AS OTHERWISE STATED HEREIN, COVERAGE IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN. PLEASE READ THIS POLICY CAREFULLY AND DISCUSS THE COVERAGE AND ALL TERMS AND CONDITIONS HEREUNDER WITH YOUR INSURANCE AGENT AND BROKER.

NOTICE: THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY DEFENSE COSTS. DEFENSE COSTS SHALL ALSO BE APPLIED AGAINST THE RETENTION.

NOTICE: THE INSURER HAS THE DUTY TO DEFEND; HOWEVER, THE INSURER MAY GIVE ITS WRITTEN CONSENT TO THE INSURED'S PRIOR WRITTEN REQUEST TO DEFEND A CLAIM. IN ALL EVENTS, THE INSURER MUST ADVANCE DEFENSE COSTS PURSUANT TO THE TERMS HEREIN PRIOR TO THE FINAL DISPOSITION OF A CLAIM.

NOTICE: TERMS APPEARING IN BOLD FACE TYPE HAVE SPECIAL MEANING. SEE CLAUSE 26 OF THIS POLICY.

Policy No.:	Producer:

Renewal of:

ITEM I. NAME AND ADDRESS OF SPONSOR ORGANIZATION:

ITEM II. POLICY PERIOD:

Inception Date: Expiration Date: (12:01 A.M. standard time at the address set forth in Item I)

ITEM III. LIMIT OF LIABILITY:

Insuring Agreement 1.1 \$\\$ in the aggregate for the **Policy Period**

Insuring Agreement 1.2

Sub-limit of Liability \$\ in the aggregate for the **Policy Period** (This shall be part of, and not in addition to, the Limit of Liability of Insuring Agreement 1.1)



ITEM IV.	RETENTION:	
	Insuring Agreement 1.1	\$ in the aggregate for each Claim (not applicable to non- Indemnifiable Loss of an Insured Person)
	Insuring Agreement 1.2	\$ in the aggregate for each Claim
ITEM V.	DISCOVERY PERIOD :	
	Premium	\$
	Duration	
ITEM VI.	PRIOR LITIGATION DAT	E:
ITEM VII.	PREMIUM:	\$
ITEM VIII.	ENDORSEMENTS FORM	ING A PART OF THIS POLICY AT ISSUANCE:

This Declarations page, together with the **Application**, the attached Executive Advantage Fiduciary Liability Policy form, and all endorsements thereto, shall constitute the contract between the **Insurer** and the **Insureds**. This Policy is valid only if signed below by a duly authorized representative of the **Insurer**.

Authorized Representative



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

EXECUTIVE ADVANTAGE FIDUCIARY LIABILITY POLICY

CLAIMS-MADE COVERAGE

(Words printed in **bold**, other than **Insurer** or in the headings, are defined in Clause 26 below.)

In reliance upon the truthfulness and accuracy of the statements made in the **Application** which are incorporated herein and made a part of this Policy, in consideration of, and subject to, the payment of premium when due, and subject to the terms, conditions, and exclusions of this Policy, the **Insurer** and the **Insureds** agree as follows:

1. Insuring Agreements:

- 1.1 The **Insurer** shall pay **Loss** on behalf of an **Insured** that an **Insured** is legally obligated to pay as damages arising from a **Claim** first made against an **Insured** during the **Policy Period** or the **Discovery Period** (if applicable) and reported to the **Insurer** pursuant to the terms of this Policy, for any actual or alleged **Wrongful Act(s)** by an **Insured** (or by any employee for whom such **Insured** is legally responsible) which takes place before or during the **Policy Period**.
- 1.2 Subject to the Sub-limit of Liability set forth in Item III of the Declarations, the Insurer shall pay Professional Fees and Settlement Fees incurred by the Insured as a result of their participation in any Voluntary Compliance Program if such participation commences during the Policy Period or, if applicable, the Discovery Period.

2. Defense Fees, Costs and Settlements:

- 2.1 The **Insurer** shall have both the right and the duty to defend a **Claim** against an **Insured** alleging a **Wrongful Act(s)**, even if such **Claim** is groundless, false or fraudulent. Upon prior written request by an **Insured** to defend a **Claim**, the **Insurer**, in its sole and absolute discretion, may give its written consent to such request.
- **2.2** The **Insurer**, if the **Insured** is defending with consent pursuant to Clause 2.1 above, shall have the right effectively to associate in the defense of any **Claim**, including, but not limited to, negotiating a settlement, subject to the provisions of this Clause 2. The **Insurer** shall not, however, be obligated to defend any **Claim** after the Limit of Liability has been exhausted.
- **2.3** The **Insurer** shall advance **Defense Costs** prior to the final disposition of a **Claim**, subject to the other provisions of this Policy. In the event and to the extent that the **Insureds** shall not be entitled to payment of such **Loss** under the terms, conditions or exclusions of this Policy, such advance payments by the **Insurer** shall be repaid to the **Insurer** by the **Insureds**, severally according to their respective interests.
- 2.4 The Insured shall not admit or assume any liability, enter into any settlement agreement, stipulate to any judgment, or incur any Defense Costs without the prior written consent of the Insurer. Only those settlements, stipulated judgments and Defense Costs to which the Insurer has consented in advance and in writing shall be recoverable Loss.



3. Cooperation:

As a condition precedent to an **Insured's** rights under this Policy, the **Insured** shall give to the **Insurer** all information, documents and cooperation the **Insurer** reasonably may request and shall do nothing that interferes with or prevents the **Insurer** from receiving such information, documents or cooperation or that may prejudice the **Insurer** or its rights of subrogation in any respect.

4. Exclusions:

The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against an **Insured**:

- **4.1** alleging, arising out of, based upon or attributable to the committing of any criminal or deliberate fraudulent act, or any knowing or willful violation of any statute, rule or law, including, but not limited to, **Benefits Law**, if a judgment or other final adjudication adverse to the **Insured** establishes such an act, omission or willful violation;
- 4.2 alleging, arising out of, based upon or attributable to the gaining of any profit or advantage to which an **Insured** was not legally entitled, if a judgment or other final adjudication adverse to an **Insured** establishes that such **Insured(s)** gained such profit, remuneration or advantage;
- **4.3** for any sum, amount or payment which constitutes restitution or disgorgement or is uninsurable as a matter of law;
- 4.4 for any sum, amount or payment which constitutes Benefits due or to become due under the terms of a Plan or that portion of any settlement or judgment in an amount equal to Benefits, except to the extent that recovery of Benefits is based upon a covered Wrongful Act(s) and is (a) payable as a personal obligation of an Insured Person, (b) non-Indemnifiable Loss, and (c) not legally payable from Plan assets;
- **4.5** alleging, arising out of, based upon or attributable to the facts alleged, or to the same, essentially same, similar or related facts and/or **Wrongful Act(s)** alleged or contained in any claim which has been reported (or in any circumstances of which notice has been given) under any policy of which this Policy is a renewal or replacement or which it may succeed in time;
- 4.6 alleging, arising out of, based upon or attributable to failure to make contributions under or fund a Plan in accordance with Benefits Law or the terms of the Plan document, failure to collect contributions owed under a Plan, failure or financial inability to make payments to Plan participants or failure to meet government-mandated Plan funding or contribution levels, except that this exclusion shall not apply to Defense Costs incurred in the defense of a Claim for a Wrongful Act;
- **4.7** alleging, arising out of, based upon or attributable to any act, error or omission of an **Insured** in his, her or its capacity as a fiduciary or administrator of any employee benefit plan, fund, program or trust, other than a **Plan**, or by reason of his, her or its status as a fiduciary or administrator of such other employee benefit plan, fund, program or trust;
- 4.8 alleging, arising out of, based upon or attributable to, any pending or prior (a) demand, (b) claim, (c) litigation, or (d) administrative or regulatory proceeding or investigation which had been made, existed or was pending prior to the Prior Litigation Date set forth in Item VI of the Declarations, or alleging or derived from the same, essentially the same, similar or related facts and/or Wrongful Act(s) as alleged in such pending or prior demand, claim, litigation or administrative or regulatory proceeding or investigation;
- **4.9** any **Loss**, cost or expense arising out of a **Claim** made against an **Insured** alleging, arising out of, based upon or attributable to, any actual or alleged:
 - (a) violation of any state, federal or common law (i) imposing liability for violation of any securities laws, rules or regulations or (ii) governing the offer, sale or purchase of securities by the director(s) or officer(s) of the Sponsor Organization regardless of what capacity in which the Insured was serving at the time of the alleged Wrongful Act(s), or



- **(b)** error, misstatement, misleading statement, inaccurate financial report, omission, neglect or breach of duty by such director(s) or officer(s) in the discharge of their duties by reason of their being a director(s) or officer(s) of the **Sponsor Organization**;
- **4.10** for bodily injury, sickness, disease, death or emotional distress of any person, or damage to or destruction of any tangible property, including the loss of use thereof, except that this exclusion shall not apply to **Defense Costs** incurred in the defense of a **Claim** for a **Wrongful Act**;
- 4.11 for repayment of administrative fees, costs or expenses improperly charged to a **Plan**, or for any other money paid out of a **Plan** to an **Insured(s)** to which the **Insured** was not legally entitled, except this exclusion shall not apply to **Defense Costs** incurred in the defense of a **Claim** for a **Wrongful Act**;
- **4.12** alleging, arising out of, based upon or attributable to discrimination in violation of any law, except that this exclusions shall not apply to a **Claim** for discrimination in violation of **Benefits Law**;
- 4.13 alleging, arising out of, based upon or attributable to any Wrongful Act(s) as respects the Plan taking place at any time when the Sponsor Organization did not sponsor such Plan or when the Insured Person was not a Fiduciary, Administrator, trustee, director, officer, governor, member of the management committee, member of the board of managers, general partner or employee of the Sponsor Organization or, if applicable, a Plan;
- **4.14** alleging, arising out of, based upon or attributable to any **Wrongful Act(s)** with respect to stock options or a stock option plan;
- **4.15** any **Claim** brought by or on behalf of an **Insured(s)** or its/their legal representative (including a debtor in possession or a bankruptcy or receivership trustee) against any other **Insured(s)**;
- 4.16 for any sum payable or liability assumed pursuant to the terms of any indemnification contract or agreement including, but not limited to, any indemnification agreement or contract between an **Insured** and any actuary, administrator, advisor, consultant, third-party, trustee, valuation company, or service provider to the **Sponsor Organization** or a **Plan**; and
- 4.17 alleging, arising out of, based upon, attributable to, or in any way involving, directly or indirectly, (a) the actual, alleged or threatened discharge, dispersal, escape or release of Pollutants, or (b) any direction, order or request to clean up, contain, detoxify, monitor, neutralize, remove, test for or treat Pollutants; provided, however, that this exclusion shall not apply to non-Indemnifiable Loss arising from a Claim alleging damage to a Plan, other than non-Indemnifiable Loss constituting Cleanup Costs.

For purposes of determining the applicability of Sections 4.1 through 4.17, the **Wrongful Act** of an **Insured Person** shall not be imputed to any other **Insured Person**.

5. Application Representations and Severability:

- 5.1 The **Insureds** represent that the statements and representations contained in the **Application** are true, and shall be deemed material to the acceptance of the risk assumed by the **Insurer** under this Policy. This Policy is issued by the **Insurer** in reliance upon the truth of such statements and representations by the **Insured**.
- **5.2** The **Insureds** agree that if the **Application** contains any statement, representation or information that is untrue or factually inaccurate, this Policy shall be void as to --
 - (a) any Insured Person who knew the facts that were not truthfully disclosed, but such knowledge shall not be imputed to any other Insured Person, and
 - (b) the Sponsor Organization and/or Plan, if any director, officer, risk manager or general counsel of the Sponsor Organization or any Fiduciary or Administrator of a Plan knew the facts that were not truthfully disclosed.



6. Reporting Requirements:

- 6.1 Notice of any Claim alleging a Wrongful Act(s) or notice of circumstances shall be forwarded to Liberty International Underwriters, 55 Water Street, 18th Floor, New York, NY 10041, Attention: Specialty Casualty Claims. All other notices required under this Policy shall be given to the same addressee but to the attention of the Specialty Casualty Claims.
- **6.2** The **Insured(s)** shall, as a condition precedent to the obligations of the **Insurer** under this Policy, give written notice to the **Insurer** of a **Claim** made against the **Insured(s)** as soon as practicable after the **Sponsor Organization's** risk manager or general counsel (or if no such position exists, then such equivalent position) first becomes aware of the **Claim**, but in all events no later than --
 - (a) the end of the Policy Period or during the Discovery Period (if applicable), or
 - (b) within forty five(45) days after the end of the **Policy Period** or the **Discovery Period** (if applicable) if the **Claim** was first made against an **Insured** within the final forty five (45) days of the **Policy Period**, or the **Discovery Period** (if applicable).
- 6.3 If written notice of a **Claim** has been given to the **Insurer** pursuant to Clause 6.2 above, then a **Claim** which is subsequently made against an **Insured** and reported to the **Insurer** alleging, arising out of, based upon or attributable to the facts alleged, or to the same, essentially same, similar or related facts and/or **Wrongful Act(s)** alleged or contained in any **Claim** for which such notice has been given, shall be deemed related to, arising out of, based upon or attributable to the first **Claim** and deemed first made at the time such notice was first given, regardless of whether the **Claim(s)** involves the same or different claimants, **Insured(s)**, legal causes of action or theory of liability.
- If during the **Policy Period** or during the **Discovery Period** (if applicable) the **Sponsor Organization** or an **Insured(s)** becomes aware of any circumstances that may reasonably be expected to give rise to a **Claim** being made against an **Insured**, the **Insured** shall give written notice to the **Insurer** of the circumstances, the **Wrongful Act** allegations anticipated and the reasons for anticipating such a **Claim**, with full particulars as to dates, **Plan**, persons and entities involved. A **Claim** which is subsequently made against such **Insured** and reported to the **Insurer** alleging, arising out of, based upon or attributable to such circumstances or alleging any **Wrongful Act** which is the same, essentially the same, similar or related to the facts and/or **Wrongful Act(s)** alleged or contained in such notice of circumstances, shall be deemed first made at the time such notice of circumstances was received by the **Insurer**.
- **6.5** All notices under this Clause 6 shall be sent in writing and by mail, prepaid express courier, or facsimile and shall only be effective upon receipt thereof by the addressee.
- **6.6** Notice of a **Claim** or notice of circumstances in the **Application** shall not constitute satisfaction of the reporting requirements of this Clause 6.

7. Limit of Liability:

- 7.1 The Limit of Liability stated in Item 3 of the Declarations is the limit of the **Insurer's** liability for all **Loss**, including **Defense Costs**, under this Policy arising out of all **Claims** first made against the **Insured** and reported during the **Policy Period**, or the **Discovery Period** (if applicable).
- 7.2 All **Claims** arising from the same **Wrongful Act** or interrelated **Wrongful Acts** shall be deemed one **Claim** and subject to a single limit of liability. Such **Claim** shall be deemed first made on the date the earliest of such **Claims** is first made, regardless of whether such date is before or during the **Policy Period**.
- 7.3 The Limit of Liability for the **Discovery Period** shall be part of, and not in addition to, the Limit of Liability for the **Policy Period**. Further, any **Claim** which is made subsequent to the **Policy Period** or **Discovery Period** (if applicable), which pursuant to Clause 6.3 or 6.4 is deemed first made during the **Policy Period** or **Discovery Period**, shall also be subject to the Limit of Liability stated in Item 3 of the Declarations.



8. Retention:

The **Insurer** shall be liable only for **Loss** arising from a **Claim** which is in excess of the Retention amount stated in Item IV of the Declarations. A separate Retention shall apply to each **Claim**. The Retention amount shall be satisfied by the **Insured(s)** and shall at all times be uninsured. No Retention will apply to a **Claim** involving non-**Indemnifiable Loss** of an **Insured Person**. A single Retention amount shall apply to **Loss** arising from all **Claims** alleging the same, essentially the same, similar or related facts and/or **Wrongful Act(s)**.

9. Indemnification:

- 9.1 With respect to a covered Claim, or portion thereof, if the Sponsor Organization is permitted or required by law to indemnify an Insured Person(s), or to advance Defense Costs on their behalf, and does not in fact do so, then the Insurer's liability shall still be subject to satisfaction of the Retention amount set forth in Item IV of the Declarations, which shall be paid equally by each such Insured Person(s) named in the Claim.
- **9.2** The **Sponsor Organization**, **Plan** committee or the applicable **Plan** document(s) shall be deemed to provide indemnification and advancement of **Defense Costs** and **Benefits** to the fullest extent permitted or required by law to **Insured Person(s)**.

10. Priority of Payment:

If **Loss** covered under Insuring Agreement 1.1 and any other Insuring Agreement becomes due and payable concurrently, The Insurer shall pay such **Loss** in the following order of priority:

- **10.1** The Insurer shall first pay such **Loss** under Insuring Agreement 1.1 on behalf of the **Insured Persons**; and
- 10.2 Whatever amount of the Limit of Liability remains after the payment of such Loss, the Insurer then shall pay any other such Loss under Insuring Agreements 1.1 and 1.2, as applicable, on behalf of the Plan and Sponsored Organization.

11. Allocation:

- 11.1 If a **Claim**, judgment or settlement gives rise to **Loss** covered under this Policy and **Loss** not covered under this Policy, because, for example, a **Claim**, judgment or settlement includes both covered and uncovered allegations, Wrongful Acts, damages, defendants or any remedial fees, costs, expenses or any remedial payment(s), the **Insured(s)** and the **Insurer** agree that the **Insurer** shall have the right to allocate for such uncovered **Loss**.
- **11.2** If there is no agreement between the **Insurer(s)** and the **Insured** on the amount of **Defense Costs** to be advanced for the **Claim**, the **Insurer** shall advance **Defense Costs** that it reasonably believes are covered under this Policy until a different allocation is negotiated or determined.
- Any negotiated or determined allocation of **Defense Costs** in connection with a **Claim** shall be applied retroactively, notwithstanding any allocation applied with respect to any prior advancement of **Defense Costs**. Any allocation or advancement of **Defense Costs** in connection with a **Claim** shall not apply to, nor create any presumption with respect to, the allocation of any other covered **Loss**.

12. Other Insurance:

This Policy shall apply only as excess over any other valid and collectible insurance, unless such other insurance is written only as specific excess insurance over the Limit of Liability provided by this Policy. This Policy shall specifically be excess of any other valid and collectible insurance pursuant to which any other Insurer has a duty to defend a **Claim** for which this Policy may be obligated to pay **Loss**.

13. Discovery Period:

13.1 Except as indicated below, if the Sponsor Organization shall cancel this Policy or the Sponsor Organization or the Insurer shall refuse to renew this Policy, the Sponsor Organization shall have the right to select a Discovery Period of one year following the effective date of such cancellation or nonrenewal and upon payment of the applicable Premium set forth in Item V of the Declarations page, shall pursuant to Clause 6 give the Insurer



written notice of (a) **Claim(s)** first made against an **Insured** during the **Discovery Period**, or (b) circumstances of which an **Insured** shall become aware during the **Discovery Period**, but in either case during said **Discovery Period** the **Claim(s)** or circumstances must be solely with respect to a **Wrongful Act(s)** occurring prior to the end of the **Policy Period** and otherwise covered by this Policy. In the event of a **Claim** or circumstances involving an alleged **Wrongful Act(s)** both prior to the end of the **Policy Period** and after the end of the **Policy Period**, the allocation provision at Clause 11 shall apply.

- 13.2 In the event of a **Structure Change**, the **Sponsor Organization** shall have the right to request an offer from the **Insurer** of a **Discovery Period** (only with respect to a **Wrongful Act(s)** occurring prior to the effective time of the **Structure Change** and otherwise covered by this Policy). The **Insurer** shall offer such **Discovery Period** pursuant to such terms, conditions, duration, exclusions and any additional premium that the **Insurer** deems reasonable. In the event of a **Structure Change**, the right to a **Discovery Period** shall not otherwise exist except as indicated in this paragraph.
- 13.3 The **Discovery Period** may not be cancelled, and any additional premium charged shall be fully earned at inception. The right to a **Discovery Period** under Clause 13 shall not apply to any cancellation resulting from non-payment of premium. The rights under Clause 13 shall terminate unless written notice of election of a **Discovery Period**, together with any additional premium due, is received by the **Insurer** no later than thirty (30) days subsequent to the effective date of the cancellation, nonrenewal or **Structure Change**.

14. Acquisition of Sponsor Organization or Other Organizational Change:

- 14.1 If during the **Policy Period** a **Structure Change** occurs, then this Policy shall continue in full force and effect as to a **Wrongful Act(s)** occurring prior to the effective time of the **Structure Change**, but there shall be no coverage afforded by any provision of this Policy for any actual or alleged **Wrongful Act(s)** occurring after the effective time of the **Structure Change**. This Policy may not be canceled after the effective time of the **Structure Change** and the entire premium for this Policy shall be deemed earned as of such time. The **Sponsor Organization** shall also have the right to an offer by the **Insurer** of a **Discovery Period** described in Clause 13.
- 14.2 In all events, coverage as is afforded under this Policy with respect to a Claim made against any Sponsor Organization and/or any Insured thereof shall apply solely to a Wrongful Act(s) committed or allegedly committed after the effective time that such Sponsor Organization became a Sponsor Organization and such Insured became an Insured, and prior to the effective time that such Sponsor Organization ceases to be a Sponsor Organization or such Insured ceases to be an Insured. In the event of a Claim alleging a Wrongful Act(s) both prior to the end of the Policy Period and after the end of the Policy Period, the allocation provision at Clause 11 shall apply.
- 14.3 With regard to any Plan that was sold, spun-off or terminated either prior to the inception date of this Policy or during the Policy Period, this Policy shall apply but solely with respect to a Wrongful Act(s) that occurred prior to the date of such sale or spin-off, or prior to the date that the Sponsor Organization or Insured Person ceases to be a Fiduciary or Administrator of a sold or spun-off Plan, or in the case of a terminated Plan, prior to the final date of asset distribution of such Plan. In the event of a Claim alleging a Wrongful Act(s) after the sale, spin-off or termination of a Plan or the time an Insured ceases to be a Fiduciary or Administrator of a Plan, the allocation provision of Clause 11 shall apply.

15. Subrogation:

15.1 In the event of any payment under this Policy, the **Insurer** shall be subrogated to the extent of such payment to all of the **Insureds**' rights of recovery thereof, and the **Insured(s)** shall execute all papers required and shall do everything necessary to secure such rights, including, but not limited to, the execution of such documents to enable the **Insurer** effectively to bring suit in the name of the **Insured(s)**. In no event shall the **Insured(s)** bring any claim or make any demand that preempts the **Insurer's** subrogation rights. In no event shall the **Insurer** exercise its rights of subrogation against an **Insured** under this Policy unless the **Insured** has been convicted of a criminal act, or been determined to have in fact committed a deliberate fraudulent act or knowingly or willingly



- violated any statute, rule or law (including, but not limited to, **Benefits Law**), or been determined to have obtained any profit or advantage to which such **Insured** was not legally entitled.
- **15.2** In the event of any recovery under this Clause 15, the Limit of Liability of this Policy shall be restored to the extent of such recovery after subtracting any fees, costs or expenses incurred by the **Insurer** in connection therewith.

16. Sponsor Organization as Authorized Representative:

It is agreed that the **Sponsor Organization** shall act on behalf of its **Subsidiaries** and each and every **Insured** with respect to the giving of notice of **Claim** or circumstances, the giving and receiving of notice of cancellation, the payment of premiums, the receiving of any return premiums that may become due under this Policy, the receipt and acceptance of any endorsements issued to form a part of this Policy, the exercising or declining of any right under this Policy or the resolution of any issues under Clauses 2 or 11.

17. Amendment, Assignment and Headings:

- **17.1** Any amendment to this Policy or assignment of an interest in this Policy, in whole or in part, shall be effective only if made by written endorsement to this Policy signed by an authorized representative of the **Insurer**.
- **17.2** This Policy and any and all rights hereunder are not assignable, in whole or in part, without the prior written consent of the **Insurer**.
- 17.3 The headings of this Policy are solely for convenience, and form no part of the terms and conditions of coverage.
- **17.4** All terms defined in this Policy in the singular shall include the plural as well.

18. Global Protection:

- **18.1** This Policy applies to a **Claim** made and a **Wrongful Act(s)** occurring anywhere in the world.
- 18.2 With regard to a **Claim** brought in a **Foreign Country** against an **Insured**, the **Insurer** shall apply to such **Claim(s)** those terms and conditions (and related provisions) of a similar foreign insurance policy issued to the **Sponsor Organization** by the **Insurer** (if registered with the appropriate regulatory body in such **Foreign Country**) to the extent such similar foreign insurance policy has terms more favorable to an **Insured** than the terms and conditions of this Policy.
- 18.3 The Limit of Liability, Retention, **Loss**, premiums and other amounts stated in this Policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is denominated or other elements of **Loss** are stated or incurred in a currency other than United States of America dollars, payment of covered **Loss** due under this Policy (subject to the terms, conditions and limitations of this Policy) will be made either in such other currency (at the option of the **Insurer** and if agreeable to the **Sponsor Organization**) or, in United States of America dollars, at the rate of exchange published in *The Wall Street Journal* on the actual or next closest date after the **Insured's** obligation to pay such **Loss** is established.

19. Spousal Protection:

If a **Claim** against an **Insured Person** includes a **Claim** against the lawful spouse or **Domestic Partner** of such **Insured Person** and such **Claim** arises from an actual or alleged **Wrongful Act(s)** of such **Insured Person**, this Policy shall cover **Loss** arising from the **Claim** made against that spouse or **Domestic Partner** to the extent that such **Loss** does not arise from a **Claim** for any actual or alleged wrongful act, error or omission of such spouse or **Domestic Partner**.

20. Estates and Legal Representatives:

This Policy shall cover **Loss** arising from a **Claim** made against the estate, heirs, or legal representative of any deceased **Insured Person** and the legal representative of an **Insured Person** in the event of incompetency, if the **Insured Person** was an **Insured** at the time the alleged **Wrongful Act(s)** was committed.



21. Termination:

- 21.1 This Policy may be canceled by the **Sponsor Organization** at any time only by mailing prior written notice to the **Insurer** or by surrender of this Policy to the **Insurer** or its authorized agent. This Policy may be canceled by or on behalf of the **Insurer** only in the event of non-payment of premium. In the event of non-payment of premium, the **Insurer** may cancel this Policy by delivering to the **Sponsor Organization** or by mailing to the **Sponsor Organization**, by prepaid express courier, facsimile, registered, certified, or other first class mail, at the **Sponsor Organization**'s address as shown in Item I of the Declarations, written notice stating when, not less than fifteen (15) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice. The **Policy Period** terminates at the date and hour specified in such notice, or at the date and time of surrender. The **Insurer** shall have the right to retain the premium amount for the portion of the **Policy Period** during which the Policy was in effect.
- **21.2** If this Policy is canceled by the **Sponsor Organization**, the **Insurer** shall retain the short-rate proportion of the premium herein. If the period of limitation relating to the giving of notice as set forth in this Clause 21.2 is also set forth in any law controlling the construction thereof, then such period shall be deemed amended to be equal to the minimum period of limitation set forth in such controlling law.

22. Tie-In of Limits of Other Policies:

In the event the **Insurer** issued any other applicable insurance policy(ies) to the **Insured(s)**, then the most the **Insurer** shall be obligated to pay for a **Claim** is the highest limit of liability contained in any such policies issued by the **Insurer**, unless specifically written as excess insurance to this Policy. However, nothing stated herein shall serve to increase the Limit of Liability of this Policy.

23. Bankruptcy or Insolvency:

Bankruptcy or insolvency of any **Insured** shall not relieve the **Insurer** of any of its obligations under this Policy.

24. Action Against Insurer:

No action shall lie against the **Insurer**, except by a non-insured but only after the amount of the **Insureds'** obligation to pay has been fully and finally determined either by judgment against the **Insured(s)** after actual trial or pursuant to a written settlement agreement to which the **Insured(s)**, the claimant(s) and the **Insurer** have consented in advance and in writing.

25. Arbitration:

- **25.1** All disputes between the **Insurer** and the **Insured(s)** of any kind involving this Policy shall be subject to arbitration and to the decision of an arbitration panel composed of three arbitrators meeting in Boston, Massachusetts, unless otherwise agreed upon in writing.
- 25.2 Each party shall appoint a neutral arbitrator from Boston and the two arbitrators shall then choose a third neutral arbitrator before instituting the arbitration hearing. In the event that either party should fail to choose an arbitrator within thirty (30) days following a written request by the other party to enter into arbitration, the requesting party may choose two neutral arbitrators from Boston who shall in turn choose a third neutral arbitrator before starting the arbitration. In the event the two arbitrators fail to agree on a third arbitrator within thirty (30) days after both arbitrators are selected, either party shall have the right to submit the arbitration to the American Arbitration Association subject to its rules in effect at that time and the selection of three neutral arbitrators.
- **25.3** Each party shall present its case to the arbitration panel within sixty (60) days following the date of the appointment of the third arbitrator. The panel shall issue a reasoned opinion in writing based upon a hearing in which evidence may be introduced without following the strict rules of evidence but in which cross-examination and rebuttal shall be allowed. The panel shall make its decision within sixty (60) days following the termination of the hearing, unless the parties agree in writing to consent to an extension. The majority decision of the panel shall be final and binding upon all of the parties to the proceeding. Judgment may be entered upon the award of the panel in any court having jurisdiction thereof.



25.4 Each party shall bear its own attorneys fees, costs and expenses. In addition, each party shall divide the fees, costs and expenses of its selected arbitrator and shall equally divide with the other party the fees, costs and expenses of the third arbitrator. The remaining fees, costs and expenses of the arbitration proceeding shall be allocated by the panel but in no event shall the panel award attorneys fees, costs and expenses to a prevailing party.

26. Definitions:

- **26.1** Administrator means an **Insured** with respect to a **Wrongful Act(s)** described in paragraph (b) of the definition of **Wrongful Act**.
- **26.2 Application** means all signed applications, including attachments and materials submitted therewith or as a part thereof, or incorporated therein, for this Policy and for any policy in an uninterrupted series of policies issued by the **Insurer** of which this Policy is a direct or indirect renewal or replacement or which it may succeed in time. All such applications, attachments, and materials shall be deemed attached to and incorporated into this Policy.
- **26.3 Benefits** means any obligation under a **Plan** to a participant or beneficiary under a **Plan** which is a payment of money or property, or the grant of a privilege, right, option or perquisite of any kind or type.
- **26.4 Benefits Law** means **ERISA** or any similar common or statutory law of the United States of America, Canada or any state or other jurisdiction anywhere in the world to which a **Plan** is subject; however, **Benefits Law** shall not include any law concerning bonuses, deferred compensation, government-mandated disability benefits or similar law, a multiemployer plan, Social Security, stock options, unemployment insurance, **MEWA**, **VEBA**, worker's compensation, or a **Non-Qualified Plan**.
- **26.5 Cafeteria Plan** means a plan as defined in Section 125 of the internal revenue Code of 1986, as amended or a plan from which the participants may choose among two or more benefits consisting of cash and qualified benefits.
- **26.6 Claim** means --
 - (a) a written demand for monetary, non-monetary or injunctive relief; or
 - **(b)** a civil, criminal or arbitration proceeding for monetary, non-monetary or injunctive relief which is commenced by: (i) service of a complaint or similar pleading; or (ii) return of an indictment, information or similar document in the case of a criminal proceeding; or (iii) receipt or filing of a notice of charges; or
 - (c) a formal agency or regulatory adjudicative proceeding to which an **Insured** is subject; or
 - (d) any fact-finding investigation by the U.S. Department of Labor, the Pension Benefit Guaranty Corporation, or similar government agency which is located outside of the U.S.A.
- 26.7 Cleanup Costs means expenses (including but not limited to legal and professional fees) incurred in testing for, monitoring, cleaning up, removing, containing, treating, neutralizing, detoxifying or assessing the effects of Pollutants.
- 26.8 Defense Costs means reasonable and necessary legal fees, costs and expenses to which the Insurer has consented in advance and in writing (including premiums for any appeal bond, but without any obligation to apply for or furnish an appeal bond) resulting solely from defense and/or appeal of a Claim against an Insured; however, Defense Costs shall not include any fees, costs and expenses incurred (a) in a Plan audit, (b) amending, reviewing, restructuring or terminating a Plan, (c) administering a settlement or judgment, (d) preparing or filing a Form 5500, or (e) for any salary or other compensation of an Insured Person or employees of the Sponsor Organization.
- **26.9 Dependent Care Assistance Program** means a dependent care assistance program as defined in Section 129 of the Internal Revenue Code of 1986, as amended.
- **26.10 Discovery Period** means the period of time described in Clause 12.



- **26.11 Domestic Partner** means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any employee benefit plan established by the **Sponsor Organization** or any **Subsidiary**.
- **26.12 ERISA** means the Employee Retirement Income Security Act of 1974 (including, but not limited to, amendments relating to the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Newborns' and Mothers Health Protection Act of 1996, the Mental Health Parity Act of 1996, and the Women's Health and Cancer Rights Act of 1998), and including any amendment or revision thereto.
- **26.13 ESOP** means any (a) employee stock ownership plan as defined in **ERISA**, or (b) any other **Plan** (i) under which investments are made primarily in securities of the **Sponsor Organization** or (ii) whose assets at any time within twelve months prior to the inception date of this Policy were comprised of 15% or more of securities of the **Sponsor Organization**.
- **26.14 Fiduciary** means a person or entity that exercises (a) discretionary authority or control over the management or disposition of **Plan** assets, or (b) discretionary authority or responsibility in the administration of a **Plan**.
- **26.15 Foreign Country** means any jurisdiction outside of the United States of America.
- **26.16 Fringe Benefit** means any plan or benefit described in Section 132 of the Internal Revenue Code of 1986, as amended.
- **26.17 Indemnifiable Loss** means **Loss** for which the **Sponsor Organization** has indemnified or is permitted or required to indemnify an **Insured Person**.
- 26.18 Insured means --
 - (a) any Insured Person,
 - (b) any Plan,
 - (c) the Sponsor Organization, and
 - (d) any other person or entity solely in his, her or its capacity as a **Fiduciary** or **Administrator** of a **Plan** and added by specific written endorsement attached to this Policy.
- 26.19 Insured Person means any --
 - (a) past, present or future natural person director, officer, governor, general partner, member of the management committee, member of the board of managers or employee, including any full-time, part-time, leased, temporary, or volunteer, of a **Sponsor Organization** or if applicable, of a **Plan**, and as to all of the above solely in his or her capacity as a **Fiduciary** or **Administrator** of a **Plan**, or
 - **(b)** past, present or future natural person in a position equivalent to a position listed in paragraph (a) of this definition in the event that the **Sponsor Organization** is operating in a **Foreign Country**.
- 26.20 Loss means damages, judgments for damages (including pre and post-judgment interest on that portion of a judgment that is covered), settlements for damages and Defense Costs; however, Loss shall not include: (a) civil or criminal fines or penalties imposed by law, except (i) the 5 percent or less civil penalty imposed upon an Insured under Section 502(i) of ERISA, and (ii) the 20 percent or less penalty imposed upon an Insured under Section 502(l) of ERISA, but only with respect to that portion of a covered settlement or judgment, (b) the multiplied portion of multiplied damages, (c) taxes or tax penalties, (d) fees, costs or expenses to amend, restructure, administer or terminate a Plan or any remedial fees, costs, expenses or any remedial payment(s), (e) stock options, (f) any amount for which an Insured is not financially liable or which is without legal recourse to the Insured, and (g) for any sum, amount or payment which constitutes Benefits due or to become due under the terms of a Plan or that portion of any settlement or judgment in an amount equal to Benefits, except to the extent that recovery of Benefits is based upon a covered Wrongful Act(s) and is (i) payable as a personal



obligation of an **Insured Person**, (ii) non-**Indemnifiable Loss**, and (iii) not legally payable from **Plan** assets. With respect to (a)-(g) above the policy will cover **Defense Costs**.

Loss shall include **UK Fines and Penalties**, as well as punitive and exemplary damages when imposed upon any **Insured** where permitted by law, subject to the Policy's other terms conditions and exclusions.

Loss shall also include **Professional Fees** and **Settlement Fees** incurred in connection with the **Insured's** participation in a **Voluntary Compliance Program**.

Loss shall also include civil money penalties imposed upon an **Insured** for violation of the privacy provisions of HIPAA (HIPAA Penalties). The maximum limit of the **Insurer's** liability for all HIPAA Penalties in the aggregate shall be \$25,000 (HIPAA Sub-limit of Liability). The HIPAA Sub-limit of Liability shall be part of, and not in addition to, the Limit of Liability of Insuring Agreement 1.1 set forth in Item III of the Declarations and shall in no way serve to increase such Limit of Liability.

- **26.21 MEWA** shall mean a multiple employer welfare arrangement as defined in Section 3(40) of **ERISA** that is established or maintained for the purpose of providing welfare benefits to the employees of two or more employers.
- **26.22 Non-Qualified Plan** means any of the following plans for a select group of management or highly compensated directors, officers and/or employees bonus plan, deferred compensation plan, excess benefit plan, executive severance plan, stock option plan, supplemental executive retirement plan or top-hat plan.
- **26.23 Operating Control** means (a) owning interests representing more than 50% of the voting, appointment or designation power for the selection of a majority of the Board of Directors of a corporation, the management committee members of a joint venture, the general partners of a limited partnership, or the members of the management board of a limited liability company, or (b) having the right, pursuant to written contract or the bylaws, charter, operating agreement or similar documents of the **Sponsor Organization**, to elect, appoint or designate a majority of the Board of Directors of a corporation, the management committee of a joint venture, the general partners of a limited partnership, or the management board of a limited liability company.
- **26.24 Pension Plan** means a pension plan as defined in **Benefits Law**.
- **26.25 Plan** means automatically any **Pension Plan** or **Welfare Plan**, **Cafeteria Plan**, **Dependent Care Assistance Program**, **Fringe Benefit**, government-mandated program (such as disability benefits, Social Security, unemployment insurance, or worker's compensation), multiemployer plan, plan of a joint venture, stock option plan, **VEBA**, or a **Non-Qualified Plan**, in whole or in part, established anywhere in the world and which was, is or shall be sponsored solely by the **Sponsor Organization** solely for the benefit of its own employees, subject to the following --
 - (a) if a Plan is an ESOP, the Sponsor Organization shall provide written notice of such Plan to the Insurer and such Plan is added to the definition of Plan by specific written endorsement attached to this Policy, or
 - (b) if a **Plan** is a **Pension Plan** (other than an **ESOP**), retiree welfare benefit plan or a stock option plan and --
 - is acquired during the **Policy Period** as a result of the **Sponsor Organization's** acquisition of a **Subsidiary** whose assets total more than 20% of the total consolidated assets of the **Sponsor Organization** as of the inception date of this Policy, or
 - (ii) is acquired during the **Policy Period** and such **Plan's** assets total more than 20% of the total consolidated assets of all covered **Pension Plans** as of the inception date of this Policy,

then, this Policy shall apply to such **Plan** (but solely with respect to a **Wrongful Act(s)** occurring after the date of such acquisition), but only upon the condition that within ninety (90) days of its acquisition, the **Sponsor Organization** shall have provided the **Insurer** with a full application for such new **Plan** and agreed to any additional premium or amendment of the provisions of the Policy required by the **Insurer** relating to such new **Plan**.



- **26.26 Policy Period** means the period of time from the inception date shown in Item II of the Declarations to the earlier of the expiration date shown in Item II of the Declarations or the effective date of cancellation of this Policy.
- **26.27 Pollutants** include, but are not limited to, any gaseous, liquid, solid or thermal contaminant or irritant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor or waste, which includes, but is not limited to, materials to be reclaimed, reconditioned or recycled.
- **26.28 Professional Fees** means reasonable costs, charges and expenses of attorneys, accountants and/or other professionals incurred solely in investigating and evaluating a **Plan's** actual or alleged noncompliance with any statute, rule or regulation and effecting a resolution thereof pursuant to a **Voluntary Compliance Program**.
- 26.29 Settlement Fees means any fees, fines, penalties or sanctions paid by an Insured to a governmental authority pursuant to a Voluntary Compliance Program as a result of a Plan's actual or alleged inadvertent noncompliance with any statute, rule or regulation; provided, that the term Settlement Fees will not include:
 - (a) any costs to correct a **Plan's** actual or alleged inadvertent noncompliance with any statute, rule or regulation or any other charges, expenses, taxes or damages, or
 - (b) any fees, fines, penalties or sanctions relating to a **Plan** if, as of the earlier of the Inception Date in Item II of the Declarations of this Policy or the inception date of any policy of insurance issued by the Insurer of which this Policy is a renewal or replacement, any **Natural Person Insured** knew of such **Plan's** actual or alleged noncompliance with any statute, rule or regulation.
- 26.30 Sponsor Organization means (a) the entity designated in Item I of the Declarations and any Subsidiary thereof, and (b) in the event any bankruptcy or liquidation proceeding shall be instituted by or against the Sponsor Organization or any Subsidiary thereof, the resulting debtor in possession or trustee (or equivalent status outside the United States), if any.
- **26.31 Structure Change** means either (a) the **Sponsor Organization** consolidates with, merges into, or sells all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert, or (b) any person or entity or group of persons or entities acting in concert acquires **Operating Control** of the **Sponsor Organization**.
- 26.32 Subsidiary means any past, present or future (a) for-profit entity of which the Sponsor Organization has Operating Control either directly or indirectly through one or more other Subsidiaries or (b) not-for-profit entity under section 501(c)(3) of the Internal Revenue Code of 1986 (as amended) sponsored exclusively by the Sponsor Organization. The term Subsidiary shall automatically apply to any new Subsidiary acquired or created during the Policy Period. A for-profit entity ceases to be a Subsidiary when the Sponsor Organization no longer maintains Operating Control of such Subsidiary. A not-for-profit entity ceases to be a Subsidiary when the Sponsor Organization no longer sponsors such Subsidiary.
- **26.33 UK Fines and Penalties** means civil fines and penalties assessed against an **Insured** by either the Pensions Ombudsman appointed by the Secretary of State for Social Services in the United Kingdom or by the Occupational Pensions Regulatory Authority in the United Kingdom or any successor body thereto, subject to the other terms, conditions and exclusions of the Policy.
- **26.34 VEBA** means a voluntary employees' beneficiary association as defined in Section 501(c)(9) of the Internal Revenue Code of 1986 (as amended) and the regulations thereunder, the purpose of which is to provide for life, sickness, accident or other benefits and that is funded solely by the **Sponsor Organization**, and provides benefits for voluntary members who are employees or former employees of the **Sponsor Organization** and/or their beneficiaries.
- **26.35 Voluntary Compliance Program** means:
 - (a) any voluntary compliance resolution program or similar voluntary settlement program administered by the U.S. Internal Revenue Service or the U.S. Department of Labor, including but not limited to the Employee



Plans Compliance Resolution System, the Audit Closing Agreement program, the Voluntary Compliance Resolution Program, the Walk-In Closing Agreement Program, the Administrative Policy Regarding Self-Correction, the Tax Sheltered Annuity Voluntary Correction Program, the Delinquent Filer Voluntary Compliance Program and the Voluntary Fiduciary Correction Program; and

- **(b)** any similar program administered by any governmental authority located outside the United States.
- **26.36** Welfare Plan means a welfare plan as defined in Benefits Law.
- 26.37 Wrongful Act means --
 - (a) as respects an Insured, a violation of any of the responsibilities, obligations or duties imposed upon a Fiduciary by Benefits Law, but only with respect to a Plan, or any matter claimed against an Insured solely by reason of his, her or its status as a Fiduciary, but only with respect to a Plan; and
 - **(b)** as respects an **Administrator**, any act, error or omission solely in the performance of one or more of the following duties or activities, but only with respect to a **Plan** --
 - (i) counseling employees, participants or beneficiaries,
 - (ii) providing interpretations,
 - (iii) maintaining records, or
 - (iv) activities affecting enrollment, termination or cancellation of participation of employees, participants or beneficiaries.
 - or any matter claimed against an **Insured** solely by reason of his, her or its status as an **Administrator**, but only with respect to a **Plan**.
 - (c) as respects an Insured Person, any matter claimed against him or her arising out of his or her service as a Fiduciary or Administrator of any multiemployer plan as defined by ERISA, but only if such service is at the specific written request or direction of the Sponsor Organization and such multiemployer plan is added by specific written endorsement attached to this Policy, identified as a multiemployer plan and any required premium is paid. In no event shall coverage under this Policy extend to a Claim against a multiemployer plan itself, its contributing employer(s) or any other fiduciaries or administrators of such plan, other than an Insured Person.

In witness whereof, the company has caused this Policy to be signed by its President and its Secretary at Boston, Massachusetts, and countersigned by a duly authorized representative of the company.

PRESIDENT David A Cohen

SECRETARY Authorized Representative of Liberty Insurance Underwriters Inc.

lexter K. Leyn



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Effective Date:	
Policy Number:	
Issued To:	
THIS ENDORSEMENT CHANGES THE PO	DLICY. PLEASE READ IT CAREFULLY.
ADDITION OF ENTITIE	S AS SUBSIDIARIES
It is agreed that the definition of "Subsidiary" , as set forth in entity(ies):	Section 25.19, shall be amended to include the following
ALL OTHER TERMS AND CONDITIONS REMAIN I	UNCHANGED.
	Authorized Representative of Liberty Insurance Underwriters Inc.
	Date



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Effective Date:	
Policy Number:	
Issued To:	
THIS ENDORSEMENT CHANGES THE PO	LICY. PLEASE READ IT CAREFULLY.
ADDITION OF INSU	URED PERSON
It is agreed that the term Insured Person as defined in Section titles or individuals listed below:	26.20 of the policy shall include the following positions,
Additional Insured Person(s)	
ALL OTHER TERMS AND CONDITIONS REMAIN U	INCHANGED
THE CITED TENNED IN 12 CONDITIONS NEWHAND	. Total tubb.
	Authorized Representative of
	Liberty Insurance Underwriters Inc.
	Date



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Effective Date:	
Policy Number:	
Issued To:	
THIS ENDORSEMENT CHANGES THE P	OLICY. PLEASE READ IT CAREFULLY.
AMENDED DEFIN	ITION OF PLAN
It is agreed that Definition 26.26 Plan is hereby amended to	include the following:
ALL OTHER TERMS AND CONDITIONS REMAIN	UNCHANGED.
	Authorized Representative of Liberty Insurance Underwriters Inc.
	Date



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Effective Date:	
Policy Number:	
Issued To:	
THIS ENDORSEMENT CHANGES THE PO	LICY. PLEASE READ IT CAREFULLY.
AMENDMENT TO	SECTION
It is agreed that the Section of the Policy is hereby amende	ed as follows:
ALL OTHER TERMS AND CONDITIONS REMAIN U	NCHANGED.
	Authorized Representative of Liberty Insurance Underwriters Inc.
	Liberty insurance officerwiners inc.
	Date



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Effective Date:	
Policy Number:	
Issued To:	
THIS ENDORSEMENT CHANGES THE PO	LICY. PLEASE READ IT CAREFULLY.
AMENDMENT TO THE DE	ECLARATIONS PAGE
It is agreed that Item of the Declarations Page is hereby amended to read as follows:	
ALL OTHER TERMS AND CONDITIONS REMAIN U	NCHANGED.
	Authorized Representative of Liberty Insurance Underwriters Inc.
	•
	Date



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Effective Date:	
Policy Number:	
Issued To:	
THIS ENDORSEMENT CHANGES TH	E POLICY. PLEASE READ IT CAREFULLY.
COMPETITOR APPLI	ICATION ENDORSEMENT
It is agreed that Definition 26.2 "Application" is amended	d to includeapplication signed by on
ALL OTHER TERMS AND CONDITIONS REMA	IN UNCHANGED.
	Authorized Representative of Liberty Insurance Underwriters Inc.
	v
	Date
	



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Effective Date:	
Policy Number:	
Issued To:	
THIS ENDORSEMENT CHANGES THE PO	DLICY. PLEASE READ IT CAREFULLY.
DELETION OF SECTION 22 - TIE-IN	OF LIMITS OF OTHER POLICIES
It is agreed that Section 22 Tie-In of Limits of Other Policio	es is hereby deleted in its entirety.
ALL OTHER TERMS AND CONDITIONS REMAIN U	JNCHANGED.
	Authorized Representative of
	Liberty Insurance Underwriters Inc.
	Date



Effective Date:

LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Policy Number:	
Issued To:	
THIS ENDORSEMENT CHANGES THE PO	LICY. PLEASE READ IT CAREFULLY.
MOST FAVORED VEN	NUE PROVISION
It is agreed that the definition of "Loss", as set forth in Section paragraph:	26.21, shall be amended to include the following
in good faith that such damages are insurable under ap coverage the insurability of such damages. However, is	n the event of a challenge to such a determination by any o reimburse such damages only if a court of competent
ALL OTHER TERMS AND CONDITIONS REMAIN U	NCHANGED.
	Authorized Representative of Liberty Insurance Underwriters Inc.
	Date



Effective Date:

LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

END	ORSE	MENIT	NO 0
	ハノド・スロニ		1111 9

Policy Number:	
Issued To:	
THIS ENDORSEMEN	T CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
POLIC	CY PERIOD EXTENSION ENDORSEMENT
In consideration of the additional pre PERIOD of the Declarations Page is	mium of \$ charged, it is hereby understood and agreed that ITEM II. POLICY amended to read as follows:
ITEM II. POLICY PERIOD: Ince (12:0	eption Date: Expiration Date: Il A.M. at the address set forth in Item I)
ALL OTHER TERMS AND CO	NDITIONS REMAIN UNCHANGED.
	Authorized Representative of Liberty Insurance Underwriters Inc.
	Date
	Zuit



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Effective Date:	
Policy Number:	
Issued To:	
THIS ENDORSEMENT CHANGES THE PO	LICY. PLEASE READ IT CAREFULLY.
PRIOR ACTS EX	KCLUSION
It is agreed that Section 4. (Exclusions) is amended to include the \ensuremath{T}	e following:
4 for, based upon, arising from, or in any way related to any	Wrongful Act taking place in whole or in part prior to
ALL OTHER TERMS AND CONDITIONS REMAIN U	NCHANGED.
	Authorized Representative of Liberty Insurance Underwriters Inc.
	Date



Effective Date:

LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Issued To:	
THIS ENDORSEMENT CHANGES THE PO	LICY. PLEASE READ IT CAREFULLY.
PRIOR LITIGATION EXCL	USION (SPLIT DATES)
With respect to the first \$ in Limit of Liability, it is agreed that its entirety and replaced as follows:	ITEM VI. PRIOR LITIGATION DATE: is deleted in
ITEM VI. PRIOR LITIGATION DATE	
With respect to the layer $\$$ excess of the first $\$$ it is agreed that its entirety and replaced as follows:	ITEM VI. PRIOR LITIGATION DATE: is deleted in
ITEM VI. PRIOR LITIGATION DATE	
ALL OTHER TERMS AND CONDITIONS REMAIN U	
	Authorized Representative of



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Effective Date:	
Policy Number:	
Issued To:	
THIS ENDORSEMENT CHANGES THE PO	LICY. PLEASE READ IT CAREFULLY.
RETURN PREMIUM I	ENDORSEMENT
It is agreed that premium in the amount of \$ shall be returned to as of; the Insurer having no further obligation	o the Sponsor Organization and this Policy is cancelled n hereunder.
ALL OTHER TERMS AND CONDITIONS REMAIN U	NCHANGED.
	Authorized Representative of Liberty Insurance Underwriters Inc.
	J
	Date



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

_	ffective Date:
	olicy Number:
Is	sued To:
	THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
	RUN-OFF ENDORSEMENT
In (consideration of the additional premium of, the Policy is amended as follows:
I.	Sections 1.1 (Insuring Agreement), and any other Insuring Agreements added by endorsement to this Policy, shall be amended such that the phrase, "which takes place during or prior to the Policy Period ," is deleted and replaced with "which takes place prior to"
II.	Section 13 (Discovery Period) is deleted in its entirety.
III.	Section 4. (Exclusions) shall be amended to include the following:
	4.12 based upon, arising from or in any way related to any Wrongful Act committed or allegedly committed on or after
IV.	The entire premium for this Policy shall be deemed fully earned as of
VII	I. The Policy's Expiration Date as set forth in Item II of Declarations, shall be amended to be
AL	L OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.
	Authorized Representative of Liberty Insurance Underwriters Inc.
	Date



LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Effe	ective Date:						
Poli	icy Number:						
Issu	Issued To:						
	THIS ENDORSEMENT C	HANGES THE POLICY. PLEASE READ IT CAREFULLY.					
	SPEC	CIFIC LITIGATION EXCLUSION					
It is a	greed that Section 4. (Exclusions) is	amended to include the following:					
4. _ l	pased upon, arising from, or in any w	ay related to:					
(the matter(s) and litigation(s) li thereof:	isted below, including any amendment or supplement thereto or consolidation					
	; or						
(er proceeding which is based upon, arises from, or is in any way related to the facts, circumstances, or allegations involved such litigation.					
ALL	OTHER TERMS AND CONDIT	TIONS REMAIN UNCHANGED.					
		Authorized Representative of Liberty Insurance Underwriters Inc.					
		Date					



Effective Date:

LIBERTY INSURANCE UNDERWRITERS INC.

(A member of Liberty Mutual Group, hereinafter "the Insurer")

Policy Number:	
Issued To:	
THIS ENDORSEMENT CHANGES THE PO	LICY. PLEASE READ IT CAREFULLY.
STATE INCONSISTENCE	CY ENDORSEMENT
In consideration of the premium charged for this Policy, it is uninconsistency between a state amendatory endorsement attached Policy, then where permitted by law, the Insurer shall apply the endorsement or the Policy which are more favorable to the Spo	d to this Policy, and any other term or condition of this ose terms and conditions of either the amendatory
ALL OTHER TERMS AND CONDITIONS REMAIN U	INCHANGED.
	Authorized Representative of Liberty Insurance Underwriters Inc.
	Date



ENDORSEMENT NO.

This endorsement, effective forms part of

Policy No.: issued to

Issued By:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARKANSAS AMENDATORY ENDORSEMENT

Irrespective of any other term or condition within the Policy, the Policy is hereby amended by the following:

A. 13. Discovery Period is deleted in its entirety and replaced by the following:

13. Discovery Period

- 13.1 If the Sponsor Organization shall cancel this Policy, or the Sponsor Organization or Insurer shall refuse to renew this Policy, an Automatic Discovery Period shall be provided for a period of sixty (60) days from the end of such cancellation or non-renewal and there shall be no charge for this Automatic Discovery Period of sixty (60) days. Such extension of coverage under the Automatic Discovery Period shall apply solely with respect for Wrongful Acts taking place before the effective date of such cancellation or non-renewal.
- 13.2 Except as indicated below, if the **Sponsor Organization** shall cancel this Policy or the **Sponsor Organization** or the **Insurer** shall refuse to renew this Policy, the **Sponsor Organization** shall have the right to select a **Discovery Period** of one year following the effective date of such cancellation or non-renewal and upon payment of the applicable Premium set forth in Item V. of the Declarations page, shall pursuant to Clause 6 give the **Insurer** written notice of (a) **Claim(s)** first made against an **Insured** during the **Discovery Period**, or (b) circumstances of which an **Insured** shall become aware during the **Discovery Period**, but in either case during said **Discovery Period**, the **Claim(s)** or circumstances must be solely with respect to a **Wrongful Act(s)** occurring prior to the end of the **Policy Period** and otherwise covered by this Policy. In the event of a **Claim** or circumstances involving an alleged **Wrongful Act(s)** both prior to the end of the **Policy Period** and after the end of the **Policy Period**, the allocation provision at Clause 10 shall apply.
- 13.3 In the event of a Structure Change, the Sponsor Organization shall have the right to request an offer from the Insurer of a Discovery Period (only with respect to a Wrongful Act(s) occurring prior to the effective time of the Structure Change

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- and otherwise covered by this Policy). The **Insurer** shall offer such **Discovery Period** pursuant to such terms, conditions, duration, exclusions and any additional premium that the **Insurer** deems reasonable. In the event of a **Structure Change**, the right to a **Discovery Period** shall not otherwise exist except as indicated in this paragraph.
- 13.4 The Discovery Period may not be cancelled, and any additional premium charged shall be fully earned at inception. The rights under Clause 13 shall terminate unless written notice of election of a Discovery Period, together with any additional premium due, is received by the Insurer no later than sixty (60) days subsequent to the effective date of the cancellation, nonrenewal or Structure Change.
- 13.5 The extension of coverage for the **Discovery Period** shall not in any way increase the Limit of Liability set forth in Item V of the Declarations page. For purposes of the Limit of Liability, the **Discovery Period** is considered to be part of, and not in addition to the last Policy year. However, the Limit of Liability for the **Discovery Period** shall not be less than the greater of the amount of coverage remaining in the expiring Policy aggregate or fifty percent (50%) of the Policy's Limit of Liability at the inception of the expiring Policy.
- **B.** The following is added to **21. Termination**:
 - **21.5** Failure to pay the initial premium due on this policy will void the policy to inception.
- C. 25. Arbitration is deleted in its entirety and replaced by the following:
 - 25. Non-Binding Arbitration:
 - 25.1 All disputes between the **Insurer** and the **Insured(s)** of any kind involving this Policy may be subject to voluntary arbitration and to the decision of an arbitration panel composed of three arbitrators meeting in Boston, Massachusetts, unless otherwise agreed to in writing.
 - 25.2 Each party shall appoint a neutral arbitrator from Boston and the two arbitrators shall then choose a third neutral arbitrator before instituting the arbitration hearing. In the event that either party should fail to choose an arbitrator within thirty (30) days following a written request by the other party to enter into arbitration, the requesting party may choose two neutral arbitrators from Boston who shall in turn choose a third neutral arbitrator before starting the arbitration. In the event the two arbitrators fail to agree on a third arbitrator within thirty (30) days after both arbitrators are selected, either party shall have the right to submit the arbitration to the American Arbitration Association subject to its rules in effect at that time and the selection of three neutral arbitrators.
 - 25.3 Each party shall present its case to the arbitration panel within sixty (60) days following the date of the appointment of the third arbitrator. The panel shall issue a reasoned opinion in writing based upon a hearing in which evidence may be introduced without following the strict rules of evidence but in which cross-examination and rebuttal shall be allowed. The panel shall make its decision within sixty (60) days following the termination of the hearing, unless the parties agree in writing to consent to an extension.
 - **25.4** Each party shall bear its own attorneys fees, costs and expenses. In addition, each party shall divide the fees, costs and expenses of its selected arbitrator and shall

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equally divide with the other party the fees, costs and expenses of the third arbitrator. The remaining fees, costs and expenses of the arbitration proceeding shall be allocated by the panel but in no event shall the panel award attorneys fees, costs and expenses to a prevailing party.

D. The following is added:

27. Non-Renewal:

If the **Insurer** elects not to renew this Policy, the **Insurer** shall provide the **Sponsor Organization** with not less than sixty (60) days advance notice before the end of the **Policy Period**. The **Insurer** will mail notice of non-renewal to the **Sponsor Organization** at the **Sponsor Organization**'s last known mailing address to the **Insurer**. Proof of mailing shall be sufficient proof of notice.

All other exclusions, conditions and limitations remain unchanged.

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APPLICATION FOR EXECUTIVE ADVANTAGE FIDUCARY LIABILITY POLICY

NOTICE: YOUR APPLICATION IS FOR A CLAIMS-MADE POLICY. EXCEPT AS OTHERWISE STATED IN THE POLICY, THE POLICY FOR WHICH THIS APPLICATION IS MADE COVERS ONLY CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS THEREIN. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE AND ALL TERMS AND CONDITIONS THEREUNDER WITH YOUR INSURANCE AGENT AND BROKER.

NOTICE: THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY DEFENSE COSTS. DEFENSE COSTS SHALL ALSO BE APPLIED AGAINST THE RETENTION.

NOTICE: THE INSURER HAS THE DUTY TO DEFEND; HOWEVER, SUBJECT TO THE POLICY'S TERMS, THE INSURER MAY GIVE ITS WRITTEN CONSENT TO THE INSURED'S PRIOR WRITTEN REQUEST TO DEFEND A CLAIM. IN ALL EVENTS, THE INSURER MUST ADVANCE DEFENSE COSTS PURSUANT TO THE TERMS OF THE POLICY PRIOR TO THE FINAL DISPOSITION OF A CLAIM.

1.	General Information		
a)	Name of the Sponsor Organization :		
b)	Address of the Sponsor Organization : City: State Website:	te:	_ Zip Code:
c)	Individual at Sponsor Organization designated	l to receive c	orrespondence and notices from the Insurer:
	(Name)	(Title)	
	Address (if different from that given in 1b above Telephone: ()	Fax: (_	
d)	Primary nature of your business		
e)	Total number of employees		
	(1) Number of leased employees		

2.	Specifications of Fiduciary Insurance Requested					
a)	Limit of Liability requested \$					
b)	Self-Insured Retention requested \$					
c)	Policy Period requested From: To:					
d)	If the Sponsor Organization is replacing existing fiduciary coverage and wants continuity, what continuity date is requested					
3.	Previous and Current Fiduciary Insurance					
a)	Has the Sponsor Organization previously held or does it now have any fiduciary liability insurance, bond or similar insurance? □ Yes □ No					
	If "Yes", please provide the following details for the past 3 years:					
	Insurer Policy Type Deductible/ Retention Policy Period Premium Number of Amount Paid					
_						
b)	b) Attach full details of any claim, demand, litigation, audit, administrative or regulatory proceeding or investigation, notice of circumstance, or wrongful act which has been the subject of notice under such insurance (if none, check the box).					
c)	Has any insurer declined, cancelled, or refused to renew any fiduciary liability insurance or bond or similar insurance within the past 3 years?					
d)	Provide the following details concerning your ERISA 412 bond: (1) Limit \$					
4.	Loss History					
	ring the last 3 years has the Sponsor Organization or any of its fiduciaries, directors, officers, or employees en involved in:					
a)	any claim, demand, litigation, proceeding or investigation alleging a breach of fiduciary duty or negligent administration of any employee benefit plan?□ Yes □ No					
b)	any civil or criminal action, investigation or proceeding involving or charging a violation of any law or regulation applicable to any employee benefit plan or insurance? ☐ Yes ☐ No					

c)	any actual or threatened government action, representative legal action or class action lawsuit related to any employee benefit plan?□ Yes □ No						
	If "Yes" to any of the above, please provide an explanation and full particulars.						
5.	Plan Information						
a)	Plans for which coverage is requested:						
F	Type of Plans to be Covered Plan* What percentage of total Plan assets are invested in Plan Active Plan employer securities? What percentage of total Plan assets are invested in Plan Active Plan Participants Participants						
* I	DB=defined benefit, DC=defined contribution, SO=stock option, W=welfare benefit, Other=please describe						
(Li	ist any additional Plans on an attachment. Is there is an attachment?						
b)	Total assets of all plans \$						
c)	Identify the following Plan service providers (if service is provided by Sponsor Organization , answer "In House"):						
	(1) Plan Accountant(s)						
	(2) Plan Actuary(ies)						
	(3) Plan Administrator						
	(4) Plan Consultant(s)						
	(5) Plan Investment Manager(s)						
	(6) Plan Legal Counsel						
	(7) Plan Trustee(s)						
	(8) If the Sponsor Organization had to defend an action concerning any of its employee benefit plans - (i) What law firm would it retain?						
6.	Plan Investments and Oversight						
If"	'No" to any of the questions below, please provide full particulars:						
a)	Are Plans' investment options and performance monitored at least quarterly? ☐ Yes ☐ No						

b)	Are Plans reviewed at least annually for proper investment diversification? Yes	□ No
c)	If employer stock is an investment option, does the Sponsor Organization or fiduce biannually review the performance and feasibility of employer stock as a option?	in investment
d)	Are the Plans' investment managers' performance evaluated at least biannually?	□ Yes □ No
e)	Are the Plans' guidelines for the investment manager reviewed at least biannually?	.□ Yes □ No
f)	Are all Plans adequately funded and contributions paid timely in accordance with ERISA or law to which the Plans are subject?	
g)	Are the Plan independently reviewed at least annually for compliance with applicable laws legal and ERISA developments?	
h)	Are the decisions and work of the Plan fiduciaries monitored at least biannually?	□ Yes □ No
i)	In the event of a conflict of interest or a major issue confronting the fiduciaries, does the outside, independent fiduciary to step in to assist the Plan?	
	If "Yes" to either question below, please provide full particulars:	
j)	Is any Plan a "cash balance plan" currently or in the process of being converted to a plan?	
k)	Does any Plan hold any Guaranteed Annuity Contracts or Guaranteed Investment Contracts	'.□ Yes □ No
7.	Plan Amendments, Modifications and Activities	
a)	Has any Plan been amended in the past 12 months such that it will reduce Plan benefits to participants or increase participants' costs?	□ Yes □ No
b)	Has the Sponsor Organization had any layoffs, reductions in force (RIF), office or factory closings or sold any subsidiary, division or affiliate within the past 12 months, or is any such action or event under consideration?	□ Yes □ No
c)	Has any Plan been terminated, sold, spun off, transferred, merged, or consolidated within the past 12 months, or is being considered?	□ Yes □ No
d)	Does the Sponsor Organization issue annually a copy of any amendment(s) (if applicable) to any Plan's Summary Plan Description and a copy of the Summary Annual Report to any Plan participants (if applicable)?	□ Yes □ No
If"	Yes" to any of the above, please provide an explanation and full particulars.	
	Prior Knowledge – te: Liberty International Underwriters renewal applicants need not answer this ques	tion.

ANY EMA	S UNDERSTOOD AND AGREED THAT IF ANYONE FOR WHOM THIS INSURANCE IS SOUGHT HAS KNOWLEDGE OF ANY SUCH ACT, ERROR, OMISSION, FACT, OR CIRCUMSTANCE, ANY CLAIM ANATING THEREFROM SHALL BE EXCLUDED FROM COVERAGE UNDER THIS PROPOSEIN URANCE.	1
c)	Has any plan experienced an event reportable to the Pension Benefit Guaranty Corporation? If "Yes," please attach full details	
b)	To the best of your knowledge, are all of the Plans for which coverage is sought that are subject to the Employee Retirement Income Security Act of 1974, as amended, and/or the Internal Revenue Code o 1986, as amended, in compliance with those statutes and the regulations and rulings thereunder? If "No," please attach full details	f ,,
a)	omission, fact, or circumstance which may give rise to a Claim which may fall within the scope of this proposed insurance? If "Yes," please attach full details	_

9. Additional Information

Please attach the following to this **Application** (such attached documents shall become part of this **Application** and shall be deemed incorporated herein):

- a) A copy of the **Sponsor Organization's** latest CPA Audit and Annual Report;
- b) For the five largest pension plans (in total assets), copies of the most recently filed Form 5500's and latest CPA audited financial statements, with investment portfolios. If Plan assets are held in a master trust, submit the mater trust investment portfolio;
- c) A copy of the latest CPA audited financial statement for any plan designed to invest primarily in employer securities or which invests more than 10% of Plan assets in employer securities; and
- d) Written Plan description and latest financial statements(s) if applicable, for any non-qualified plan(s).

Signing this **Application** does not bind the undersigned to purchase or the Insurer to sell any insurance policy. If a policy is issued, this **Application** and its attachments shall be the basis of such policy and shall be deemed attached to and shall form part of such policy.

ARKANSAS APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT, OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

COLORADO APPLICANTS: IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE, AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICYHOLDER OR CLAIMANT FOR THE PURPOSE OF

DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICYHOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

DISTRICT OF COLUMBIA APPLICANTS: WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

FLORIDA APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURANCE COMPANY FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY IN THE THIRD DEGREE.

HAWAII APPLICANTS: FOR YOUR PROTECTION, HAWAII LAW REQUIRES YOU TO BE INFORMED THAT PRESENTING A FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT IS A CRIME PUNISHABLE BY FINES OR IMPRISONMENT, OR BOTH.

KENTUCKY APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTANIING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

LOUISIANA APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

MAINE APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPETLE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

NEW JERSEY APPLICANTS: ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NEW MEXICO APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATIN FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

NEW YORK APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

OHIO APPLICANTS: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

OKLAHOMA APPLICANTS: WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.

PENNSYLVANIA APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

TENNESSEE APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

VIRGINIA APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

WASHINGTON APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

WEST VIRGINIA APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

The undersigned, on behalf of all prospective Insureds, declares that the statements in this **Application** and its attachments are true and accurate. If there is a material change in any information or to any statement in this **Application** or its attachments prior to the inception date of the policy, the undersigned shall immediately notify the Insurer verbally of such changes, followed immediately by written notice. Upon receipt of such oral notification, the Insurer shall have the right to modify or withdraw any outstanding terms or proposal.

This Application must be currently dated and signed by two individuals: (1) the Sponsor Organization's Risk Manager (or individual with similar responsibilities), and (2) an authorized and current fiduciary.

Signed:	Signed:
Title:	Title:
Date:	Date:

SERFF Tracking Number: PERR-125354922 State: Arkansas
Filing Company: Liberty Insurance Underwriters, Inc. State Tracking Number: #101582 \$50

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: PERR-125354922 State: Arkansas

Filing Company: Liberty Insurance Underwriters, Inc. State Tracking Number: #101582 \$50

Company Tracking Number: LIU-OL-FLP-AR-07-01-F

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

Product Name: LIU-OL-FLP-AR-07-01-F

Project Name/Number: LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F

Supporting Document Schedules

Review Status:

Satisfied -Name: Uniform Transmittal Document- Approved 03/06/2008

Property & Casualty

Comments:

Attachments:

2007 NAIC PCTD.pdf 2007 NAIC FFS +.pdf

Review Status:

Satisfied -Name: Supporting Documentation Approved 03/06/2008

Comments:

Attachments:

LIUI - Forms Memo.pdf AR Forms List.pdf

P&K Filing Authority Letter LIUI 110707.pdf

Property & Casualty Transmittal Document

1.	Reserved for Insurance Dept. Use	Only	2	2. lı	nsurance D	epartment l	Jse c	only	
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			b. Analyst:						
			c. Disposition:						
			d	d. C	Date of dispo	osition of the	filing	:	
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Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #	LIU-OL-FLP-AR-07-01-F
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21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is freeform text]

On behalf of Liberty Insurance Underwriters (the "Company"), we are submitting this filing to introduce forms for a new program, Fiduciary Liability Insurance. Please see the explanatory memorandum for further details. Please note the corresponding rates and rules are being submitted concurrently under a separate cover.

The Company respectfully requests that the proposed forms be implemented for all policies effective January 20, 2008.

Filing Fees (Filer must provide check # and fee amount if applicable)

[If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #: 101582 Amount: \$50.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
(Do <u>not</u> refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking # LIU-OL-FLP-AR-07-01-F							
2.	This filing corresponds to (Company tracking number of	FLP-AR-07-01-	R					
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement or Withdrawn?		If replacement, give form # it replaces	Previous state filing number, if required by state		
01	Executive Advantage Fiduciary Liability Policy Declarations	LIUIFIDD001-1107	Replacement Withdrawn Neither					
02	Executive Advantage Fiduciary Liability Policy	LIUIFIDP001-1107	☐ Replacement ☐ Withdrawn ☐ Neither					
03	Addition of Entities as Subsidiaries	LIUIFIDE001-1107	☐ Replacement ☐ Withdrawn ☐ Neither					
04	Addition of Insured Person	LIUIFIDE002-1107	Replacement Withdrawn Neither					
05	Amended Definition of Plan	LIUIFIDE003-1107	Replacement Withdrawn Neither					
06	Amendment to Section	LIUIFIDE004-1107	Replacement Withdrawn Neither					
07	Amendment to Declarations Page	LIUIFIDE005-1107	☐ Replacement ☐ Withdrawn ☑ Neither					
08	Competitor Application Endorsement	LIUIFIDE006-1107	☐ Replacement ☐ Withdrawn ☑ Neither					
09	Deletion of Section 22 - Tie- In of Limits of Other Policies	LIUIFIDE007-1107	☐ Replacement ☐ Withdrawn ☐ Neither					
10	Most Favored Venue Provision	LIUIFIDE008-1107	Replacement Withdrawn Neither					
11	Policy Period Extension Endorsement	LIUIFIDE009-1107	Replacement Withdrawn Neither					
12	Prior Acts Exclusion	LIUIFIDE010-1107	Replacement Withdrawn Neither					

FORM FILING SCHEDULE (Continued)

(This form must be provided ONLY when making a filing that includes forms)

(Do <u>not</u> refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is	part of Company Trac	LIU-OL-FLP-AR-07-01-F				
2.	This filing corresponds to rate/rule filing number Company tracking number of rate/rule filing, if applicable)				-FLP-AR-07-01-R		
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement or Withdrawn?		If replacement, give form # it replaces	Previous state filing number, if required by state	
13	Prior Litigation Exclusion (Split Dates)	LIUIFIDE011-1107	Replacement Withdrawn Neither				
14	Return Premium Endorsement	LIUIFIDE012-1107	☐ Replacement ☐ Withdrawn ☑ Neither				
15	Run-Off Endorsement	LIUIFIDE013-1107	Replacement Withdrawn Neither				
16	Specific Litigation Exclusion	LIUIFIDE014-1107	Replacement Withdrawn Neither				
17	State Inconsistency Endorsement	LIUIFIDE015-1107	☐ Replacement ☐ Withdrawn ☐ Neither				
18	Arkansas Amendatory Endorsement	LIUIFIDE001-AR-1107	☐ Replacement ☐ Withdrawn ☐ Neither				
19	Application for Executive Advantage Fiduciary Liability Policy	LIUIFIDA001-1107	☐ Replacement ☐ Withdrawn ☐ Neither				
20			Replacement Withdrawn Neither				
21			Replace Withdra Neither	ıwn			
22			☐ Replacement ☐ Withdrawn ☐ Neither				

Liberty Insurance Underwriters, Inc.

Fiduciary Liability
Forms Filing Memorandum

With this filing, Liberty Insurance Underwriters, Inc. ("LIUI") proposes to file forms for a new program, Fiduciary Liability. The coverage provides claims-made fiduciary liability insurance. All forms to be used with this program are included with this filing.

Liberty Insurance Underwriters, Inc Fiduciary Liability

Arkansas Forms List

Declarations and Forms

	Form #	Mandatory /	Coverage	Premium
Form Name	Edition Date	Optional	Change	Impact
Executive Advantage Fiduciary Liability Policy Declarations	LIUIFIDD001-1107	Mandatory	Clarifies	No
Executive Advantage Fiduciary Liability Policy	LIUIFIDP001-1107	Mandatory	Clarifies	No

Endorsements

	Form #	Mandatory /	Coverage	Premium
Form Name	Edition Date	Optional	Change	Impact
Addition of Entities as Subsidiaries	LIUIFIDE001-1107	Optional	Clarifies	No
Addition of Insured Person	LIUIFIDE002-1107	Optional	Clarifies	No
Amended Definition of Plan	LIUIFIDE003-1107	Optional	Clarifies	No
Amendment to Section	LIUIFIDE004-1107	Optional	Clarifies	No
Amendment to Declarations Page	LIUIFIDE005-1107	Optional	Clarifies	No
Competitor Application Endorsement	LIUIFIDE006-1107	Optional	Clarifies	No
Deletion of Section 22 - Tie-In of Limits of Other Policies	LIUIFIDE007-1107	Optional	Broadens	No
Most Favored Venue Provision	LIUIFIDE008-1107	Optional	Clarifies	No
Policy Period Extension Endorsement	LIUIFIDE009-1107	Optional	Broadens	Yes
Prior Acts Exclusion	LIUIFIDE010-1107	Optional	Restricts	No
Prior Litigation Exclusion (Split Dates)	LIUIFIDE011-1107	Optional	Clarifies	No
Return Premium Endorsement	LIUIFIDE012-1107	Optional	Clarifies	No
Run-Off Endorsement	LIUIFIDE013-1107	Optional	Broadens	Yes
Specific Litigation Exclusion	LIUIFIDE014-1107	Optional	Restricts	No
State Inconsistency Endorsement	LIUIFIDE015-1107	Optional	Clarifies	No
Arkansas Amendatory Endorsement	LIUIFIDE001-AR-1107	Mandatory	Clarifies	No

Applications

Form Name	Form # Edition Date	Mandatory /	Coverage Change	Premium
Form Name	Edition Date	Optional	Change	Impact
Application for Executive Advantage Fiduciary Liability Policy	LIUIFIDA001-1107	Mandatory	Clarifies	No



November 7, 2007

To Whom It May Concern:

Perr&Knight, Inc. is hereby authorized to submit rate, rule, and form filings on behalf of Liberty Insurance Underwriters, Inc. This authorization includes providing additional information and responding to questions regarding the filings on our behalf as necessary. This authorization is deemed in be in effect until rescinded in writing.

Please direct all correspondences and inquiries related to this filing to Perr&Knight, Inc. at the following address:

State Filings Department Perr&Knight, Inc. 881 Alma Real Drive, Suite 205 Pacific Palisades, CA 90272

Tel: (888) 201-5123 Fax: (310) 230-1061

Please contact me at 212.208.4239 if you have any questions regarding this authorization.

Sincerely,

Theresa M. Morgan, Esq. Senior Compliance Officer 55 Water Street, 18th Floor

New York NY 10041

212-208-2802

Theresa.Morgan@libertyiu.com

Theresa M. Morgan

SERFF Tracking Number: PERR-125354922 State: Arkansas #101582 \$50

Filing Company: State Tracking Number: Liberty Insurance Underwriters, Inc.

LIU-OL-FLP-AR-07-01-F Company Tracking Number:

TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1022 Other

LIU-OL-FLP-AR-07-01-F Product Name:

LIU-OL-FLP-AR-07-01-F/LIU-OL-FLP-AR-07-01-F Project Name/Number:

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	Arkansas Amendatory Endorsement	02/21/2008	AR Amendatory Endorsement.pdf
No original date	Form	Arkansas Amendatory Endorsement	02/08/2008	AR Amendatory Endorsement.pdf
No original date	Form	Arkansas Amendatory Endorsement	01/22/2008	AR Amendatory Endorsement.pdf
No original date	Form	Arkansas Amendatory Endorsement	12/14/2007	AR Amendatory Endorsement.pdf



This endorsement, effective forms part of

Policy No.: issued to

Issued By:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARKANSAS AMENDATORY ENDORSEMENT

Irrespective of any other term or condition within the Policy, the Policy is hereby amended by the following:

A. 13. Discovery Period is deleted in its entirety and replaced by the following:

13. Discovery Period

- 13.1 If the Sponsor Organization shall cancel this Policy, or the Sponsor Organization or Insurer shall refuse to renew this Policy, an Automatic Discovery Period shall be provided for a period of sixty (60) days from the end of such cancellation or non-renewal and there shall be no charge for this Automatic Discovery Period of sixty (60) days. Such extension of coverage under the Automatic Discovery Period shall apply solely with respect for Wrongful Acts taking place before the effective date of such cancellation or non-renewal.
- 13.2 Except as indicated below, if the Sponsor Organization shall cancel this Policy or the Sponsor Organization or the Insurer shall refuse to renew this Policy, the Sponsor Organization shall have the right to select a Discovery Period of one year following the effective date of such cancellation or non-renewal and upon payment of the applicable Premium set forth in Item V. of the Declarations page, shall pursuant to Clause 6 give the Insurer written notice of (a) Claim(s) first made against an Insured during the Discovery Period, or (b) circumstances of which an Insured shall become aware during the Discovery Period, but in either case during said Discovery Period, the Claim(s) or circumstances must be solely with respect to a Wrongful Act(s) occurring prior to the end of the Policy Period and otherwise covered by this Policy. In the event of a Claim or circumstances involving an alleged Wrongful Act(s) both prior to the end of the Policy Period and after the end of the Policy Period, the allocation provision at Clause 10 shall apply.
- 13.3 In the event of a **Structure Change**, the **Sponsor Organization** shall have the right to request an offer from the **Insurer** of a **Discovery Period** (only with respect to a **Wrongful Act(s)** occurring prior to the effective time of the **Structure Change**

- and otherwise covered by this Policy). The **Insurer** shall offer such **Discovery Period** pursuant to such terms, conditions, duration, exclusions and any additional premium that the **Insurer** deems reasonable. In the event of a **Structure Change**, the right to a **Discovery Period** shall not otherwise exist except as indicated in this paragraph.
- 13.4 The Discovery Period may not be cancelled, and any additional premium charged shall be fully earned at inception. In the event the Insurer cancels this Policy for non-payment of premium, the Sponsor Organization must have paid the nitial premium for this Policy before they may purchase a Discovery Period. The rights under Clause 13 shall terminate unless written notice of election of a Discovery Period, together with any additional premium due, is received by the Insurer no later than sixty (60) days subsequent to the effective date of the cancellation, nonrenewal or Structure Change.
- 13.5 The extension of coverage for the **Discovery Period** shall not in any way increase the Limit of Liability set forth in Item V of the Declarations page. For purposes of the Limit of Liability, the **Discovery Period** is considered to be part of, and not in addition to the last Policy year. However, the Limit of Liability for the **Discovery Period** shall not be less than the greater of the amount of coverage remaining in the expiring Policy aggregate or fifty percent (50%) of the Policy's Limit of Liability at the inception of the expiring Policy.
- **B. 25. Arbitration** is deleted in its entirety and replaced by the following:

25. Non-Binding Arbitration:

- 25.1 All disputes between the **Insurer** and the **Insured(s)** of any kind involving this Policy may be subject to voluntary arbitration and to the decision of an arbitration panel composed of three arbitrators meeting in Boston, Massachusetts, unless otherwise agreed to in writing.
- 25.2 Each party shall appoint a neutral arbitrator from Boston and the two arbitrators shall then choose a third neutral arbitrator before instituting the arbitration hearing. In the event that either party should fail to choose an arbitrator within thirty (30) days following a written request by the other party to enter into arbitration, the requesting party may choose two neutral arbitrators from Boston who shall in turn choose a third neutral arbitrator before starting the arbitration. In the event the two arbitrators fail to agree on a third arbitrator within thirty (30) days after both arbitrators are selected, either party shall have the right to submit the arbitration to the American Arbitration Association subject to its rules in effect at that time and the selection of three neutral arbitrators.
- 25.3 Each party shall present its case to the arbitration panel within sixty (60) days following the date of the appointment of the third arbitrator. The panel shall issue a reasoned opinion in writing based upon a hearing in which evidence may be introduced without following the strict rules of evidence but in which cross-examination and rebuttal shall be allowed. The panel shall make its decision within sixty (60) days following the termination of the hearing, unless the parties agree in writing to consent to an extension. Judgment may be entered upon the award of the panel in any court having jurisdiction thereof. The majority decision of the panel shall not be binding upon the parties to the proceeding.

25.4 Each party shall bear its own attorneys fees, costs and expenses. In addition, each party shall divide the fees, costs and expenses of its selected arbitrator and shall equally divide with the other party the fees, costs and expenses of the third arbitrator. The remaining fees, costs and expenses of the arbitration proceeding shall be allocated by the panel but in no event shall the panel award attorneys fees, costs and expenses to a prevailing party.

C. The following is added:

27. Non-Renewal:

If the **Insurer** elects not to renew this Policy, the **Insurer** shall provide the **Sponsor Organization** with not less than sixty (60) days advance notice before the end of the **Policy Period**. The **Insurer** will mail notice of non-renewal to the **Sponsor Organization** at the **Sponsor Organization's** last known mailing address to the **Insurer**. Proof of mailing shall be sufficient proof of notice.

All other exclusions, conditions and limitations remain unchanged.



This endorsement, effective forms part of

Policy No.: issued to

Issued By:

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- 25.3 Each party shall present its case to the arbitration panel within sixty (60) days following the date of the appointment of the third arbitrator. The panel shall issue a reasoned opinion in writing based upon a hearing in which evidence may be introduced without following the strict rules of evidence but in which cross-examination and rebuttal shall be allowed. The panel shall make its decision within sixty (60) days following the termination of the hearing, unless the parties agree in writing to consent to an extension. Judgment may be entered upon the award of the panel in any court having jurisdiction thereof. The majority decision of the panel shall not be binding upon the parties to the proceeding.

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- 25.3 Each party shall present its case to the arbitration panel within sixty (60) days following the date of the appointment of the third arbitrator. The panel shall issue a reasoned opinion in writing based upon a hearing in which evidence may be introduced without following the strict rules of evidence but in which cross-examination and rebuttal shall be allowed. The panel shall make its decision within sixty (60) days following the termination of the hearing, unless the parties agree in writing to consent to an extension. Judgment may be entered upon the award of the panel in any court having jurisdiction thereof.
- **25.4** Each party shall bear its own attorneys fees, costs and expenses. In addition, each party shall divide the fees, costs and expenses of its selected arbitrator and shall

equally divide with the other party the fees, costs and expenses of the third arbitrator. The remaining fees, costs and expenses of the arbitration proceeding shall be allocated by the panel but in no event shall the panel award attorneys fees, costs and expenses to a prevailing party.

C. The following is added:

27. Non-Renewal:

If the **Insurer** elects not to renew this Policy, the **Insurer** shall provide the **Sponsor Organization** with not less than sixty (60) days advance notice before the end of the **Policy Period**. The **Insurer** will mail notice of non-renewal to the **Sponsor Organization** at the **Sponsor Organization's** last known mailing address to the **Insurer**. Proof of mailing shall be sufficient proof of notice.

All other exclusions, conditions and limitations remain unchanged.



This endorsement, effective forms part of

Policy No.: issued to

Issued By:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARKANSAS AMENDATORY ENDORSEMENT

Irrespective of any other term or condition within the Policy, the Policy is hereby amended by the following:

A. 13. Discovery Period is deleted in its entirety and replaced by the following:

13. Discovery Period

- 13.1 If the Sponsor Organization shall cancel this Policy, or the Sponsor Organization or Insurer shall refuse to renew this Policy, an Automatic Discovery Period shall be provided for a period of sixty (60) days from the end of such cancellation or non-renewal and there shall be no charge for this Automatic Discovery Period of sixty (60) days. Such extension of coverage under the Automatic Discovery Period shall apply solely with respect for Wrongful Acts taking place before the effective date of such cancellation or non-renewal.
- 13.2 Except as indicated below, if the **Sponsor Organization** shall cancel this Policy or the **Sponsor Organization** or the **Insurer** shall refuse to renew this Policy, the **Sponsor Organization** shall have the right to select a **Discovery Period** of one year following the effective date of such cancellation or non-renewal and upon payment of the applicable Premium set forth in Item V. of the Declarations page, shall pursuant to Clause 6 give the **Insurer** written notice of (a) **Claim(s)** first made against an **Insured** during the **Discovery Period**, or (b) circumstances of which an **Insured** shall become aware during the **Discovery Period**, but in either case during said **Discovery Period**, the **Claim(s)** or circumstances must be solely with respect to a **Wrongful Act(s)** occurring prior to the end of the **Policy Period** and otherwise covered by this Policy. In the event of a **Claim** or circumstances involving an alleged **Wrongful Act(s)** both prior to the end of the **Policy Period** and after the end of the **Policy Period**, the allocation provision at Clause 10 shall apply.
- 13.3 In the event of a **Structure Change**, the **Sponsor Organization** shall have the right to request an offer from the **Insurer** of a **Discovery Period** (only with respect to a **Wrongful Act(s)** occurring prior to the effective time of the **Structure Change**

and otherwise covered by this Policy). The **Insurer** shall offer such **Discovery Period** pursuant to such terms, conditions, duration, exclusions and any additional premium that the **Insurer** deems reasonable. In the event of a **Structure Change**, the right to a **Discovery Period** shall not otherwise exist except as indicated in this paragraph.

- 13.4 The Discovery Period may not be cancelled, and any additional premium charged shall be fully earned at inception. The right to a Discovery Period under Clause 12 shall not apply to any cancellation resulting from non-payment of premium. The rights under Clause 12 shall terminate unless written notice of election of a Discovery Period, together with any additional premium due, is received by the Insurer no later than thirty (30) days subsequent to the effective date of the cancellation, non-renewal or Structure Change.
- **B. 25. Arbitration** is deleted in its entirety and replaced by the following:

25. Arbitration:

- 25.1 All disputes between the **Insurer** and the **Insured(s)** of any kind involving this Policy may be subject to arbitration and to the decision of an arbitration panel composed of three arbitrators meeting in Boston, Massachusetts, unless otherwise agreed to in writing.
- 25.2 Each party shall appoint a neutral arbitrator and the two arbitrators shall then choose a third neutral arbitrator before instituting the arbitration hearing. In the event that either party should fail to choose an arbitrator within thirty (30) days following a written request by the other party to enter into arbitration, the requesting party may choose two neutral arbitrators who shall in turn choose a third neutral arbitrator before starting the arbitration. In the event the two arbitrators fail to agree on a third arbitrator within thirty (30) days after both arbitrators are selected, either party shall have the right to submit the arbitration to the American Arbitration Association subject to its rules in effect at that time and the selection of three neutral arbitrators.
- 25.3 Each party shall present its case to the arbitration panel within sixty (60) days following the date of the appointment of the third arbitrator. The panel shall issue a reasoned opinion in writing based upon a hearing in which evidence may be introduced without following the strict rules of evidence but in which cross-examination and rebuttal shall be allowed. The panel shall make its decision within sixty (60) days following the termination of the hearing, unless the parties agree in writing to consent to an extension. Judgment may be entered upon the award of the panel in any court having jurisdiction thereof.
- 25.4 Each party shall bear its own attorneys fees, costs and expenses. In addition, each party shall divide the fees, costs and expenses of its selected arbitrator and shall equally divide with the other party the fees, costs and expenses of the third arbitrator. The remaining fees, costs and expenses of the arbitration proceeding shall be allocated by the panel but in no event shall the panel award attorneys fees, costs and expenses to a prevailing party.

C. The following is added:

27. Non-Renewal:

If the **Insurer** elects not to renew this Policy, the **Insurer** shall provide the **Sponsor Organization** with not less than sixty (60) days advance notice before the end of the **Policy Period**. The **Insurer** will mail notice of non-renewal to the **Sponsor Organization** at the **Sponsor Organization**'s last known mailing address to the **Insurer**. Proof of mailing shall be sufficient proof of notice.

All other exclusions, conditions and limitations remain unchanged.